Great Northern Public Affairs Office Newsletter, 1974

Great Northern Paper Company

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January 4, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

Campaigning Congressmen...the Legislature opens a special session...good news from Ottawa, or at least it sounded that way to those who deal in diplomatic dealings...we will report on these and other matters in this week's public affairs newsletter:

CONGRESSMAN COHEN COMES TO TOWN

Trailed by newsmen representing CBS-TV, Newsweek and the Bangor Daily News, Congressman Cohen came to Millinocket and East Millinocket Thursday, January 3. He was taking the "public pulse" during the Congressional vacation. While he has not yet announced as a candidate for re-election, Cohen leaves no question about his plans to seek a second term.

And what did he find on the minds of GNP employees and our neighbors? The energy crisis was the chief topic of conversation, monitoring newsmen reported.

The youthful Congressman (at 33 he is one of the two youngest members of the House) visited the Millinocket and East Millinocket mills, the Millinocket pollution abatement plant and lunched with a group of GNP managers. During lunch, he reported on Canadian Prime Minister Trudeau's reply to Senator Muskie and briefed the group on his talk with Muskie after the letter had been received in Washington. He was optimistic.

THE SPECIAL SESSION

The special session of the Legislature opened Wednesday, January 2, in Augusta. Lynwood Hand, Esquire, GNP's legislative agent, was on the scene. (This summary is based on the observation of Lynwood, a veteran observer of the State House scene, and on reports from Associated Industries of Maine and the Paper Industry Information Office.) It looks like the session will extend into March with the legislators probably considering 400 bills before they go home. If so, they will have been involved in the longest special session on record.
Special Session (continued)

This week the Governor's message was the focus of attention. Some quotes of interest:

"It is essential that state government be given the authority to deal quickly and decisively in response to current and projected energy shortages. Accordingly, I have submitted emergency legislation providing for a variety of special powers. These will include authority to declare an 'energy emergency', which would enable state government to order curtailments or closings of industry, business, stores and schools; to regulate the use of commercial lighting; to suspend certain standards imposed on utilities, banks and common carriers; to permit the Board of Environmental Protection to grant temporary waivers of environmental standards; to create state and local boards for the administration of fuel conservation and allocation programs; to allocate fuel supplies within the state and to participate in federal programs. We hope all these powers will not have to be used but recent events make it clear that state government should have this standby authority.

"Because the cost of living has risen dramatically in recent months, I will support legislation increasing the minimum hourly wage to $2.00. I will also seek changes in Maine's Workmen's Compensation Law making coverage mandatory for all nonexempted employers and establishing a State Workmen's Compensation Fund. I will again submit for your consideration modified legislation to establish the Maine Occupational Safety and Health Act.

"In the past few years, we have made considerable progress in planning for the controlled use and development of our natural resources. To continue this effort, I have submitted legislation establishing a State register of critical areas. This bill would identify areas of outstanding scientific and educational interest as well as areas under severe development pressure and encourage their protection and wise use for the continued enjoyment of future generations. This legislation is necessary to develop and carry out the Coastal Plan.

"In the past year questions have been raised regarding the operations of Maine's forest products industry. For this reason, I recommend that the Legislature establish a study commission to review these questions.

"In addition, I will support legislation clarifying the powers of the State with respect to the public lots.

"The Special Session of the 105th Legislature two years ago authorized the efficiency study of State government known as the Maine Management and Cost Survey.

"A team of Maine's executives from the private business sector worked over a period of 20 weeks on this study. The result, after a substantial cash and manpower contribution from private sources, was a report making 807 recommendations for changes in the way State government operates."
Special Session (continued)

"Proposals requiring legislative action will be submitted to this Special Session in approximately eighty separate bills."

He favors a two-cent hike in the gas tax.

The question of what action the Public Lands Committee will take regarding the "public lots" still isn't resolved. A report is coming from the Committee. Legislators are apparently weighing the desirability of waiting for a court finding on the rights of the owners against immediately seeking to terminate these rights. This and the related subject of imposing timber harvesting controls could be the key issues facing the forest industries of the state.

No opposition was voiced last week at a committee hearing on appropriating funds for spraying forest areas hit by the spruce budworm.

(Attached is a copy of bills thus far printed. Copies are available from the Public Affairs Office.)

OIL...OIL...OIL...FINALLY: GOOD NEWS AGAIN

Thursday we distributed a release prepared in Stamford stating that GNP now had sufficient residual oil in sight to maintain normal operations for the remainder of the first quarter of 1973.

Plans to issue the release the day before had been changed when Premier Trudeau replied to Senator Muskie's letter asking the Canadian government to continue oil shipments to Maine paper mills.

Both items were front page stories in the Bangor News.

PUBLIC RELATIONS

The Bangor Daily News this week published a story on the life of Canadian woodcutters employed by GNP. It was the work of Lionel Rosenblatt of the News who spent a day and a half visiting the Lobster and Telos operations. While accurate insofar as figures were concerned, reaction to the story has been mixed. Many have been critical of his comparing the Lobster camp with "Stalag 17" of World War II fame. The headline "Pulp Cutting: The choice of those with no choice" irritated others who believe the wood cutter today is far better off than he was a few years ago. Telling the Company's story in this area is a top priority challenge.

The Presque Isle Star Herald's January 2 issue contained a progress report on the expansion of the Pinkham Lumber Company.

PUBLIC AFFAIRS

While Congressman Cohen was touring the mills, we were working with Senator Muskie's office on plans for the Senator to visit Millinocket and East Millinocket Tuesday, January 8.
Public Affairs (continued)

Donations were approved for United Cerebal Palsy, Salvation Army and National Multiple Sclerosis Society-Maine Chapter.

Copies of the latest revisions in the federal mandatory allocation program were provided the purchasing department.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure

Distribution:

J. R. Adams
R. W. Currier
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D. G. Griffee
R. E. Gross
R. H. Hale
T. M. Knight
V. F. Mattson
F. C. Morrison
R. W. Noyes
P. P. Paul
C. H. Reed
A. J. Tozier
P. H. Welch
N. J. Richards

L. E. Hand
T. S. Pinkham
Legislature - Special Session - Bills Filed

No. 2061 Permitting Northern Maine General Hospital of Eagle Lake to Maintain a Nursing Home

2062 Changing Name of Peoples Benevolent Hospital to Northern Maine Medical Center

2067 Increasing Borrowing Capacity of Ashland Water & Sewer District

2077 Providing Funds for Spruce Budworm Control and Surveys

2083 Clarify the Law Relating to Disposal of Septic Tank or Cesspool Wastes

2106 Clarifying the Provisions of the Waste Water Construction Grant Program and Waste Water Pollution Control Planning Program

2127 Relating to Exemption of Certain Plants Under Oil Burner Men's Licensing Law

2147 Including Reconditioned Machinery in Definition of New Machinery used for Manufacturing & Research which is Exempt from Sales and Use Tax

2149 Providing for a Credit in Maine Income Tax Law for Investment in Pollution Control Facilities

2152 Providing Funds for Implementation of a State-wide Program of Safety of Dams and Reservoirs

2157 Providing for State Supervision of the Construction and Safety of Dams and Reservoirs

2158 Exempting Machinery and Equipment Used for Manufacturing and Research from Sales and Use Tax

2164 Providing Funds to Pine Tree Legal Assistance, Inc., for Continued Legal Representations for those Unable to Afford such Representation

2170 Relating to Sales Tax on Machinery and Equipment

2175 Clarify the Exemption Date in the Minimum Lot Size Law

2182 To Revise the Laws on Snowmobiles

2185 Relating to Income from the Public Reserved Lands

2194 Relating to Bulldozing of St. John River

2205 To Permit Lakeville Plantation to use a Public Lot for Sanitary Landfill

2207 To Revise the Membership of the Land Use Regulation Commission

2242 To Create the Interstate Compact for Workmen's Compensation
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

This week we saw a flurry of activity on the legislative scene of interest to the forest products industries and a slap at the public relations policies of GNP by the Bangor Daily News. These and other subjects are covered in the weekly Public Affairs newsletter:

THE PUBLIC LOTS ISSUE --- EXPATRIATION?

This week the Public Lands Committee of the Legislature took a look at a staff plan to carve the state's unorganized territory into nine giant plantations. If the Legislature buys the proposal, a new type of local government would be provided for nine million acres of mostly forest land...42.4 per cent of the state. And if that takes place, the grass and timber rights on 320,000 acres of public lots owned by forest industries and other people would be terminated. GNP owns the grass and timber rights on 85,000 acres.

When the question of the grass and timber rights became an issue in the Legislature last year, GNP and several other landowners went to court asking for clarification of their rights. The state filed its answer and counter-claim in the litigation January 9, differing with the position of GNP and the other landowners that they own the rights until the townships are organized as provided in the original deeds. GNP has also said it will consider exchanges of land or rights if the state recognizes the company's position.

(continued)
Portland Press Herald reporter Bob Cummings wrote that at an executive session last week "no votes were taken, but committee members made only minor changes, indicating the final approval is only formality."

The plan would create plantations encompassing unorganized townships in each of the major river valleys. Each would elect officers and superintending school committees. The funds for financing services would be raised by the state and turned back to the plantations. The staff of the Committee says the reorganization would serve legitimate government interests aside from ending the cutting rights, according to Cummings. He also commented: "Passage of the Public Lands bill is expected to strengthen the contention" that the timber and grass rights covered only those existing at the time the rights were sold: "It has been argued that in the absence of specific direction from the legislature, the courts are unlikely to tamper with longstanding claims of private property rights."

On the legislative scene, the disclosure came as a bit of a surprise. Proposals to regain the timber and grass rights under similar concepts were rejected during the regular session.

The first report of the Committee due late this month is also likely to include a call for timber harvesting regulation.

**On The Political Scene**

Bob Monks, according to Augusta sources, has decided to drop plans for a bid for the GOP nomination for governor. Friday State Senator Wakine Tanous of East Millinocket entered the race, joining State Senator Harrison Richardson in the field. Former Attorney General Jim Erwin, beaten by Governor Curtis three years ago, is expected to toss his hat in the ring later this month.

**On The Legislative Scene**

A favorable Committee report is expected any day on Senator Richardson's bill (L.D. 2158) exempting machinery and equipment used for manufacturing and research from the sales and use tax.

Next Thursday three bills are to be heard by the Labor Committee on the subject of Workmen's Compensation and the Minimum Wage. Senator Tanous, chairman of the Labor Committee, says he does not expect major changes in any laws dealing with workmen's compensation until a study ordered by the Legislature is completed. One bill (L.D. 2292) on this subject would establish a state workmen's compensation fund. This is an area of concern for the forest industries. Workmen's compensation insurance rates are now so high for independent contractors who sell wood to companies such as Great Northern that many feel the costs are forcing some out of business.
IN OUR OPINION

No operation candor for paper industry

A wise personnel director once counseled us that if we’re going to tilt at windmills, don’t tilt at the ones that draw your own water.

Not because we necessarily attribute wisdom to personnel directors, but because we like to eat, we’ve studiously followed that advice.

However, though we leave windmills alone, we occasionally bite the hand that feeds us.

On this occasion, we feel constrained to bite at the very newsprint companies that furnish the paper on which this is printed. And because of their well-known magnanimity and tolerance of criticism, we’re confident our newsprint shortage won’t get any shorter...

Nobody likes a bad press, least of all the industrial giants like the Maine paper companies, who have the interests of customers like us, of stockholders and of employees to look after.

Like other large firms, the paper companies spend a lot of money on public relations — the art of putting the best foot forward, of projecting the most favorable public image.

Even in the dark days last month when two Maine paper companies were sweating out shipments of Canadian oil, the public relations machinery — which always seems to have plenty of oil — continued to grind out the good news.

For instance, a December release from Georgia-Pacific headquarters in Portland, Ore., started like this: “The forest products industry...should benefit from the energy shortage, an industry spokesman said today in predicting 1974 gains for his company on top of new records currently being set.”

Meanwhile, back in Woodland, Maine, officials at Georgia-Pacific were keeping all but mum on the threatened Canadian oil cut-off.

Great Northern Paper Company was initially more forthcoming, providing the NEWS with a special top-level background briefing on the impending crisis and a running account of company efforts to cope with it.

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THE NEWS’ OPINION

The Bangor Daily News in an editorial on January 15 attacked the Great Northern Paper Company for "polishing the corporate image" at the expense of keeping Mainers informed and contended that by not replying to the Nader report the companies of the paper industry are confirming charges of arrogance toward the Maine public.

The editorial with our comments on its contents:

This is not true. The GNP public relations budget is one of the smallest in the industry.

We can't find much in the way of "good news" in the GNP releases put out in December and January. They were written only to inform those who live in the Millinocket region of developments in the energy crisis.

The News decided to make it a day to day story. We did not. When they called, we answered questions from reporters.
A cynic might suggest that the company saw advantages in big headlines as a useful lever in generating concern among the citizenry and among politicians. There may be some credence to this point of view, because since the Canadians approved the last oil shipments, just before Christmas, Great Northern has also reverted to press releases.

Confirmation of the company’s open market purchases of a three-month oil supply came in a release datelined Stamford, Conn., a day after the news was announced by the Maine Congressional delegation.

Keeping Mainers informed would seem to take a back seat to polishing the corporate image...

Which brings us to the bite.

Where out-of-state press releases won’t work, there is always a fallback position — complete silence.

And that is the policy of the Maine paper industry toward last May’s Nader report on the pulp and paper companies in the state.

There were early hopes (including ours) that the report would serve as a starting point for a public dialogue on some of the environmental and economic problems posed by the industry to the Pine Tree State.

But there can be no dialogue if the paper company officials remain in their boardrooms like spoiled children.

The arrogance of the paper industry toward the Maine public was one theme that ran through the Nader report. The companies serve to confirm the charge with the arrogance of their silence.

Gov. Curtis said last May that the report should not die at birth. Several legislators agreed.

We agree. We hope this makes somebody in the paper industry mad enough to bite back. We’ll furnish equal space. With their paper, of course.

The headlines helped us build up public sympathy for our cause. We put out or news release to inform our employees, our stockholders, our customers and the public that we had enough oil in sight for the rest of the first quarter, ending in March. When so many publics are involved this is the way we do it. It was dated Stamford but it was sent to Bangor from Millinocket.

This information was provided the Bangor Daily News in response to questions at 7:30 p.m. the day before. (see clipping)

A release had been planned that day. It was delayed until the contents of Prime Minister Trudeau’s letter to Senator Muskie was revealed and we had a chance to hear what developed in Washington, during the press conference.

GNP said in July (see clipping), we would try to answer any questions on the subject matter of the Nader report. We had the opportunity to do that in November when three reporters wanted to explore the life of the harvester on company lands. All of their questions were answered. Since July 1, we don’t know of any questions from the news media which has gone unanswered on any subject.

**PUBLIC AFFAIRS**

We attended a meeting of the coordinating committee of the North Maine Woods Council in Bangor.

We attended a meeting of the Eastern Maine Forest Forum in Bangor. David Pollard, resident manager of the St. Regis Paper Company mill in Bucksport, was guest speaker, discussing "Challenges Facing the Papermaker."
PUBLIC RELATIONS

In response to questions, we provided reporter Mike Scanlin of the Portland Press Herald with information on our energy conservation program.

In response to questions from Mark Woodward of the Bangor Daily News, we provided information on shipments of oil we had purchased on the open market.

David Swearingen, chief of the Maine-New Hampshire-Vermont bureau of the Associated Press, visited our office in Millinocket.

Questions regarding the jump in the costs of newsprint and other grades (30 lb. and 28 lb.) of papers used by newspapers came from the Bangor Daily News, the Associated Press and Montreal Gazette.

A tape was made on the subject of residual oil at the request of Jack Harper, news editor of a Providence, R.I., radio station.

We prepared (and distributed for the information of managers) answers to any questions regarding cutting back in production at the Millinocket mill. A paper machine was temporarily taken out of operation.

Sincerely yours,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures
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J. R. Adams
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G. E. Veneman
Pulp firms may let charges stand

By LIONEL ROSENBLATT of the NEWS Staff

Old reports never die publicly, they just fade away. This silent withering seems to be the fate of the Nader report on the Maine paper and pulp industry in May.

The Paper Industry Information Office (PIIO) which embraces 11 paper companies in the state is not planning direct rebuttal of the Nader report. Four paper companies contacted individually also indicated no direct response to the study is anticipated at this time.

The report entitled "The Paper Plantation" was written by William C. Osborn and alleges among other things that the paper companies are polluting the state's water and air and mismanaging their forest resources; that they exploit the independent pulpwood contractor; and that they perpetuate this with influence in the legislative and executive branches of state government.

Despite this strong criticism, the paper industry has declined comment. Henry A. Magnuson, PIIO spokesman, said that the companies "talked about" a response but "weren't actually able to get together on it."

Magnuson pointed to legal barriers which preclude discussion of some of the Nader allegations among independent competitors. Magnuson said that the PIIO is planning a series of stories covering some of the same issues raised in the report, but this is not envisioned as a rebuttal to the Nader report, per se.

Morris Wing, PIIO president and regional woodlands manager for the International Paper Company, said: "It is my understanding at this time that there will not be a joint response because the report is so lengthy and raises so many issues."

Wing indicated that some of the companies are "working on responses to particular problems that were singled out in the report."

However, none of the four companies surveyed is committed to a public statement on the Nader report, although the spokesmen said that they were more than willing to try to answer specific questions on the report if raised by the news media.

Paul McCann, public relations manager at Great Northern Paper Company, said the report was "read and considered" there but that "we don't anticipate a direct response at this time." McCann also said:

"We're constantly facing the issues raised in the report and speaking out on them to the public."

Ben Pike, a spokesman for the International Paper Co., reported that "the company has prepared some answers to the so-called charges in the pollution areas and in the woodlands area" but that "we have not yet determined how to make these answers available to the public."

"Our primary interest in this is to answer the people of Maine. We feel our responsibility is more to the people of Maine than to the Nader group," he continued.

A. J. Haug, division vice president for Scott Paper at Winslow, would only say: "We're studying the big, long document and formulating our reaction to it." Haug would not say if the reaction would be made public or not.

St. Regis spokesman John T. Gould, Jr., said that his company is "not in the process of initiating any rebuttal" to the report. He reiterated, as did all the spokesmen, a willingness to sit down with newsmen to answer substantive questions raised in the study.

In May when the study was issued some complaints were heard about the difficulty of obtaining the report and the need for deliberate study of the ponderous document.

"After all," one spokesman was reported to have said, "Osborn put a year or more into his report."

Bangor Daily News, Wednesday, August 8, 1973
Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Newsletter for last week is as follows:

PUBLIC LOTS --- DIVIDED COMMITTEE?

The staff of the Public Lands Committee has proposed (as we reported last week) that the state's unorganized towns be lumped together into eight big plantations. Once local government is provided, timber and grass rights on public lots would be terminated. Corporations and individuals own such rights on 320,000 acres; GNP owns 85,000. A group of landowners went to court last year asking that their rights be clarified. If, however, the staff plan were adopted, all the implications of a state takeover would have to be faced before the court is heard from on the complicated issue.

The first time the Public Lands Committee heard the proposal few comments were voiced on the staff proposal.

Last week the Committee may have backed off a bit. Before coming up with specific legislation, members decided to go to public hearing with their report --- probably during the first week in February. There are indications that some want to have the benefit of a court ruling before drafting legislation.

The implications of the plantation proposal are many, but the chief objection seems to be at this time:

If plantations were to be approved now, the state would become a full partner in all operations in townships where public lots have not been laid out.

The hope of the forest industries is that the Committee will decide to await action by the courts. If the bill is reported out of committee, the public lots question could become the major issue of the special session.
Also in the Legislature.....

Last week we saw:

A bill providing funds for spraying to control the spruce budworm emerge from committee and get initial House approval.

A revived proposal providing a state income tax credit for capital construction of pollution control facilities heard by the Taxation Committee....and the Committee heard the state tax assessor place the revenue loss to the state at only $215,000.

Four bills regarding Workmen's Compensation and the minimum wage heard by the Labor Committee. There were indications that the idea of a state fund will be considered premature. The $2 minimum wage bill got good support.

And while the Governor is following through in recommending action on many of the proposals by The Maine Management and Cost Study Commission, the package is apparently running into difficulty in the Legislature. It's a political year. The study was financed by the business community. GNP was a contributor of funds and manpower.

Bills of interest on file include:

2261 Change Weights and Related Provisions for Commercial Vehicles
2277 Relating to Property Tax Appeals
2292 Providing for a Workmen's Compensation Insurance Fund
2295 Relating to the Powers of Maine Port Authority
2296 Applicability of Workmen's Compensation Law to Employers
2311 Establish a State Register of Critical Areas
2314 Extending Collective Bargaining Rights to State Employees
2320 Establish a Small Grants Program for Municipal Conservation Commissions in the Department of Conservation
2321 Increase the Minimum Wage
2326 Relating to Conflicts of Interest in Municipal Contracts and Proceedings Pursuant to the Securities Approval Act
2343 Granting Energy Emergency Powers to the Governor
2363 Providing for Registration and Reporting of Petroleum Product Suppliers in the State of Maine
2369 Eliminate the Mandatory Waiting Period for Unemployment Compensation Applicants who Have Lost Income as a Result of Electrical or Petroleum Products Shortages
2375 Establishing the Office of Energy Resources
With representatives of the woodlands and transportation departments, we attended a meeting with Bangor & Aroostook Railroad officials. They can be expected to oppose legislation which would increase the allowable weight of trucks on Maine highways. It is a traditional position. Approximately twenty percent of GNP wood is trucked over public highways and the bill would improve the lot of contract truckers.

ASSOCIATIONS

Larry Abbiatti, vice president-mill manager of S. D. Warren (Scott) in Westbrook, last week was elected new president of the Paper Industry Information Office. Keith Ruff of Georgia-Pacific is vice president and Franck Morrision of Diamond is treasurer. The PIIO budget includes funds for publishing a newspaper tabloid on the industry in Maine....Fred Clough of Oxford Paper Company is the new president of Associated Industries of Maine.

TAX THE PIPELINE FLOW?

Commerce & Industry Commissioner Jim Keefe last week advocated taxing the 109 million barrels of crude oil which annually flows from Portland to Montreal via a pipeline. Keefe said Canada now taxes U.S. $1.90 a barrel for Canadian oil and will hike this tax to $6.40 a barrel on February 1. He said he wants the idea considered by the attorney general, the Governor and possibly the Legislature because Canada is opposing an Eastport refinery while another in Canada 40 miles away is being expanded. The idea of a tax on oil entering Maine for shipment out of state has been raised as a counter-threat to Canada's delays in approving the export of oil for use by GNP and other paper mills. Governor Curtis later in the week discouraged the idea.

"ROUGH DRAFT" OF LOGGING FILM PREVIEWED

Northern division personnel last week took a look at the "rough draft" of the movie filmed last fall in Maine. While changes were suggested in the film and in the sound track, all found the movie believable in tone. When completed, it will be both a tool for recruiting and informational piece on the improved working conditions in the logging field. Target date for the finished product is early March. The Ted Barash Agency is editing and producing the movie.

PUBLIC RELATIONS

After reviewing the suggestions with the industrial conservation coordinator, a series of tips on energy conservation were approved for broadcast over WMKR.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
March 4, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The public affairs newsletter for the week ending Friday, March 1, follows (a separate report will be made on my visit to Wisconsin with J. R. Adams):

**Timber Harvesting Regulation?**

Should the state tell people how trees should be cut and forest lands managed?

No...no...no...regulation such as this will drive some of us out of business.

That was the opinion of small landowners and organizations in which they dominate.

Yes...but the regulations must be uniformly applied and reasonable.

That was the opinion of major companies involved in the forest industries.

The Public Lands Committee February 28 held a hearing on L.D. 2500, an industry developed code. At the same time, the Committee staff offered a substitute--distributed only a day or two before.

Fred Holt, who heads the State Bureau of Forestry, urged both bills be scrapped because they had been hastily written with little input from the small landowner. He put a $200,000 a year price tag on administration and enforcement.

The Natural Resources Council, Maine's biggest environmental agency, favored the concept.

Nearly 100 attended the hearing...and many voiced opinions.

After the talking was over, some members of the committee were predicting no action on the issue at this session of the Legislature.
Harvesting (continued)

Perhaps the most unfortunate turn of events was the president of the Maine Forest Products Council (who is on the PIIO mailing list for legislative newsletters) publicly telling Representative Martin that he had never heard of the bill (L.D. 2500) until a few days ago. The Council had been involved since the first meeting of an industry committee which two years ago started developing a code. The week before he had gone on record favoring an investigation of the forest industries which a PIIO spokesman called a "witch hunt."

**ON THE LEGISLATIVE SCENE...**

Lynwood Hand reports that Senator Richardson is going to push the Public Lots issue and will seek support for the grand plantation proposal in public hearings at Sinclair March 8 and at Kingman March 9. Staff members have been aggressively seeking support for the bill in Aroostook and Washington counties. Lack of this support was evident at the Augusta hearing on the proposal.

On other matters:

The industrial machinery bill (L.D. 2158) is on the Senate appropriations table and the outlook for final approval is good.

A redraft of the proposal (L.D. 2292) for a state workmen's compensation fund has been completed. It will provide for a competitive fund instead of a monopoly fund. While insurance companies will fight the idea, industry support is expected. It could be of considerable financial assistance to many woods operators if competition forces down the rates of insurance.

The bill which would raise the allowable weight for trucks on state highways (L.D. 2261) is still in committee. Some sources say it is in trouble. Others say a compromise is in the works which will eliminate double bottoms but allow more weights for trucks.

**IP'S CORPORATE AFFAIRS PROGRAM**

John Tyson, who directs International Paper Company's nationwide corporate affairs program, outlined the project March 1 at a meeting of the Paper Industry Information Office in Augusta. IP established the program to deal with federal, state and local issues on a coordinated basis. Involved are 175 management-level people who are trained (two workshops a year in nine regions) and informed (weekly newsletters on national and state issues) on how to deal with such matters. IP makes such activity a part of their job and rates them on performance in the corporate affairs field. Employees are also being encouraged to become active in public affairs. The Company grants leaves of absences for those who wish to run for office or participate in the campaigns of others.
Forest Industries Workshop

Over 90 people from five states attended a two-day New England Forestry Communicators Workshop February 27-28 in Portland. They were briefed on the tools being developed for use by the industry under the $4.25 million Forest Industries Council communications program.

A new movie...film strips...television spots...radio tapes...newspaper and magazine advertisements...literature...posters...a case study of how these were used in the Crossett division of Georgia Pacific...state workshops...all of this and more, too, was packed into the session.

John Sinclair, president of Seven Islands Land Company and chairman of the New England Communications Committee, chaired the meeting.

Public Relations

In response to a question from the editor of the Lincoln newspapers, you confirmed that a study is under way on the potential for a kraft mill in the West Branch region. (clipping attached)

The latest edition of the Northern Corner is attached. This vehicle was used to inform employees of the kraft mill study. The information was distributed in advance by memorandum to managers.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures

Distribution:

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S. A. Casey
B. P. Ellen
R. Hellendale
W. E. Lloyd
J. F. O'Handley
J. D. Perkins
J. H. Staples
R. P. Vivian
P. F. Yacavone
R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
Site On W. Branch

New Kraft Mill
Studied For GNP

Great Northern Paper Company would locate a new Kraft mill somewhere on the West Branch of the Penobscot River if feasibility studies now in progress prove out. Robert Shinners, Vice President of the Company, confirmed Wednesday night that the new mill, if it is built, would use considerable hardwood pulp from the company’s own lands as well as from other forest lands throughout the state.

Personnel from Nekoosa-Edwards, a subsidiary of Great Northern - Nekoosa, are assisting with the study. Nekoosa operates Kraft mills in Wisconsin and Arkansas and the Southern Division of Great Northern Nekoosa operates one of the largest Kraft mills in the world at Cedar Springs, Georgia. The Company said that, “At this stage of the project, it is not known how large the mill would be or, assuming a paper machine might be included, the size and grade structure of the machine.” The new study brings up to date similar investigations made during the early 1950s.

Kraft mills presently operating in Maine are at: Lincoln, Woodland and at Westbrook by Lincoln Pulp and Paper, Georgia Pacific, and S. D. Warren Company, respectively.
Cohen urges review on labor-import plan

WASHINGTON — Rep. William Cohen, R-Maine, Tuesday urged the secretary of labor to review the U.S. program that supervises entry of Canadian woodsmen to this country.

"Bonded Canadian laborers are supposedly certified by the Labor Department as filling a need that American labor cannot supply, but I have received complaints that Maine woodsmen may presently be losing their jobs to Canadians," Cohen told Labor Secretary William Brennan.

Cohen said that if the complaints are true, "the intent of the program is being perverted."

The first-term Republican cited Maine's seven per cent unemployment as well as an independent study reporting that the importation of Canadian labor has depressed wages and reduced unemployment of U.S. laborers in the timber industry.

Cohen specifically asked for information explaining what the Labor Department is doing to ensure the intent of the supervision program: the extent it publicizes in Canada the availability of U.S. timber jobs, and whether there is an active recruitment program directed to domestic woodsmen.

Cohen Asks: Do Canadian Take Mainers’ Jobs?

WASHINGTON (AP) — Rep. William S. Cohen, R-Maine, said Friday he has asked the Labor Department to undertake a "thorough review" of the program under which Canadian woodsmen are brought into the United States.

"Bonded Canadian laborers are supposedly certified by the Labor Department as filling a need that American labor cannot supply, but I have received complaints that Maine woodsmen may presently be losing their jobs to Canadians," Cohen said.

"With the state's unemployment rate at over 7 per cent, I find it hard to believe that many of the jobs now filled by Canadians could not as easily be filled by Americans," he said in a statement.

In a letter to Labor Secretary Peter Brennan, Cohen also cited a Ralph Nader study indicating that use of Canadian woodsmen has depressed wages and reduced the employment of American laborers in the timber industry.

Cohen asked Brennan to explain what actions were being taken to ensure that the intent of the bonded woodsmen program was being followed.

The congressman also asked whether Brennan's department and the forest products industry have publicized the availability of positions, and whether there is any effort to actively recruit domestic woodsmen when jobs become available.
local action for maximum use

Dover-Foxcroft heard encouraging news last week when the board of selectmen met and discussed the possibility of setting up a local investor-owned wood products industry.

Central to the proposal is a sawmill which would provide raw material for several wood product industries and would be owned by many different people as a local development corporation.

The proposal depends on use of the state's public lands.

Richard Barringer, commissioner of the new Bureau of Public Lands within the Department of Conservation, told Maine Times this week he met recently with Dover-Foxcroft officials and the Eastern Maine Development District in Bangor to "talk about using timber in Maine for forest products cooperatives."

Although Barringer said it is somewhat premature to talk about the results of that meeting since the initial research has just begun, he said the plan's success depends on the state regaining the timber and grass rights on 320,000 acres of public lots.

There is legislation before the special session of the 106th legislature to organize Maine's nearly 10 million acres of "wildlands" and thereby regain its public lots, the rights to most of which were sold during the last century to timber interests.

The state now retains rights on 74,000 acres of land, much of which is under water and which may be unsuitable for guaranteeing the sustained yield which is necessary for an integrated wood products industry. Barringer estimated it would take from 40,000 to 80,000 acres to support the type of operation envisioned. That operation could involve anything from a veneer plant to a small woodchip complex, which would require a lot of front-end capital.

The types of satellite industries furnished by the sawmill will be determined by market demand and resource characteristic, Barringer said.

"If we don't get the timber and grass rights back, it's unlikely we could pull this off," he said.

Asked about the recreational use of the lots, Barringer said, "However the public lots are used, they'll have to be managed as a public resource — whether for forest products or wildlife or as a park. But they must be managed so there will be certain amounts of regular yield." Some lots, because of their high timber value, may be used exclusively as a market resource.

Barringer is interested in expanding the number of uses of the lots, as opposed to making pure parks out of them all. "There is no necessary incompatibility between forest products uses and park and recreational uses," he pointed out the timberlands of many paper companies today are treated by many Mainers as recreational areas.

Barringer said such uses would not be compatible if such parks were to be considered primitive wilderness areas.

At the selectmen's meeting in Dover-Foxcroft, selectman Myles Smith said the economic impact of Piscataquis County's timber lands is low "because little manufacturing is done here. Most of the wood is cut and hauled off in the form of logs," the Piscataquis Observer (2/21/74) quoted him.

David Miller, town manager, noted, "We stand in the midst of a billion-dollar forest and gain little from it."

Pointing out yields of $25 per acre per year on Aroostook County timberlands and $110 per acre in Penobscot County, Miller said Piscataquis County forest land averages only $8 in the local economy, the lowest figure in the state.

Smith said the proposed sawmill could guarantee delivery of lumber to associated industries such as manufacturers of furniture, fiber board, veneer, pallets, and other wood products.

Smith upheld the project as one which "uses a natural resource which is renewable and will grow more valuable in the future if it is tended properly. I think we can do it."

Smith is president of Smith Timberlands, Inc. and a member of the Land Use Regulation Commission. He said he would not be a prime investor in the development corporation which owns the sawmill.
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs Newsletter for this week:  

**FEBRUARY 14 PUBLIC LANDS COMMITTEE HEARING**  

The Public Lands Committee will hold a public hearing February 14 in Augusta on the staff's proposals for lumping Maine's unorganized territory into eight plantations with the intention of terminating grass and timber rights on public lots.  

Observers on the Augusta scene say the Committee is holding off a decision until after the public hearing on whether to include the organizational proposals in its recommendations to the special session. There are some indications that there is a growing sentiment in the committee to press instead for an early court decision on the issue.  

Donald W. Perkins, Esq., in a report prepared for the Paper Industry Information Office, wrote, in part:  

"In my opinion, this hearing may well determine whether the committee proposes such legislation; which, of course is a key step relating to enactment..."  

"This proposal would not only confiscate timber and grass rights of considerable value, but would place the townships where the public lot is unlocated in a state of uncertainty and perhaps moratorium, which could be extremely damaging to the entire industry. If these rights were to be terminated, the State would become a fractional owner in common of the entire township, requiring their agreement for activity in the township. Thus, conservation groups and others could press debate in the Courts and otherwise, over all aspects of operation, which could virtually paralyze the wood supply of this industry.  

"In preparing for this hearing, please give careful study to the draft report and draft bill. It raises questions of taxation, education, fire prevention, law enforcement, public road construction, planning, regulation of development, demand for recreational opportunities, demand for public lots usage, increased demands for forest products and need for more data...."
Elsewhere on the Augusta scene, the Safety and Workmen's Compensation Committee has decided to oppose in its present form L.D. 2242, An Act To Establish A State Workmen's Compensation Fund on which we have reported in previous newsletter. "The Committee intends to suggest to the Labor Committee that a feasibility study comparing merits of monopolistic state funds (which L.D. 2242 would create) against competitive state funds (a system in which workmen's compensation would be available from both a state fund and private insurers) be conducted with the issue to be settled in the next session."

The committee endorsed L.D. 2296 which makes workmen's compensation mandatory for all private employers except those specifically exempted under law.

It was a week that saw opposition effectively throw up a roadblock in the face of a two-cent per gallon increase in the gasoline tax. Without it, the Governor and State Transportation Department officials say the state's roadbuilding program will collapse.

**LEWISTON PAPERS BOOST PRICE**

The Lewiston Sun and the Lewiston Journal caught up with other Maine newspapers, increasing the price of single copies from 10 to 15 cents because of the "increased cost of production, higher wages, a 45 percent increase in the cost of newsprint and an 80 percent increase in the cost of postage."

**PRIG ASKS FOR MORE FACTS**

The Maine Public Interest Research Group (the organization founded along lines suggested by Ralph Nader and financed by Maine college students), asked the federal Environmental Protection Agency this week for more facts to be made available on each water pollution license. Joining with the Natural Resources Council, PRIG says it needs more information to judge whether a specific permit should be issued or denied. PRIG, founded in 1973, has investigated Maine banks and joined with low income groups to seek better results for the poor during the energy squeeze.

**TAX THE PIPELINE?**

Last week we reported that Jim Keefe, the state's Commissioner of industry and commerce, had proposed taxing oil flowing from Portland to Montreal via a pipeline. But one of Governor Curtis' assistants (Dennis Violette) put the subject in focus in this manner, speaking of Curtis' views: "It doesn't have a high appeal to him. I don't think it's going to get too far." The idea was first raised when the Canadians denied an export license for residual oil destined for Maine paper mills, including GNP. Keefe advanced the idea for other reasons --- including the tax the Canadians are putting on exports and the fact they are fighting the proposal for an Eastport refinery.
**Now We Have Seven**

Friday former attorney general Jim Erwin made it official. He is a candidate for the Republican nomination for Governor. Four years ago he lost by a few hundred votes to Governor Curtis. Now we have seven seeking the office. The line up:

**Republicans**
- James Erwin, Pittston
- Harrison Richardson, Cumberland
- Wakine Tanous, East Millinocket

**Democrats**
- Joseph Brennan, Portland
- Peter Kelley, Caribou
- Lloyd LaFountain, Biddeford
- George Mitchell, Portland

Mitchell visited Millinocket and East Millinocket this week on a get acquainted tour. He greeted workers at both GNP mills. He will be back again later in the campaign. The former Muskie aide once worked in a Winslow paper mill while going to school. He is bright and personable with what appear to be solid party ties.

**The Maine Economy: Unemployment Increases**

Manpower Commissioner Emilien Levesque says 28,000 people are out of work in Maine and he expects the job picture to continue to deteriorate. He says the energy shortage has resulted in 600 persons being put out of work and that figure could reach 6,000 in the next two months. Construction, plastics and leather-related industries have been the hardest hit. He is calling for quick legislative action to provide financial assistance to the jobless not eligible for assistance under programs now in effect.

**Newsletter**

A copy of the northern division newsletter is attached. Getting this organized into an effective internal communications tool is one of our top priorities for 1974. Suggestions from all hands will be appreciated.

**A New Man With New Ideas**

Howard Neville, who took over a few months ago as president of the University of Maine-Orono, has outlined his goals for the University. He proposed two new major research centers — one in the field of forest products, the other in marine science. In these as in other goals, he will seek funds from private sources.

**Public Relations**

With help from Russ Byron of Central Personnel, we provided Miss Linda Pelletier of Presque Isle with background on GNP. She toured the mill. Linda is writing a book on the forest industries of Maine.

In response to a question from Frank Sleeper of the Portland papers, we confirmed that GNP had received word of Canadian approval for Irving to export oil for use by the Maine mills.
We prepared a release on the oil shipment approval and telephoned it to Bangor and provided it to WMKR and the Millinocket Journal.

In response to a question from Phyllis Austin, a free-lance Augusta reporter, we confirmed that GNP did business with the Maine Central Railroad. She said she was doing a story for Maine Times on the line's president, E. Spencer Miller. She pointed out Miller was a GNN director.

In response to a call from Ann Breault, a reporter for the St. Croix, N.B., Courier, we confirmed our residual oil supply was sufficient for the month of March.

We agreed to again co-sponsor the Tree Farmer of the Year advertising program.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Enclosure

Distribution:

J. R. Adams
R. W. Currier
A. E. Dentremont
P. I. Firlotte
D. G. Griffie
R. E. Gross
T. M. Knight
V. F. Mattson
F. C. Morrison
R. W. Noyes
P. P. Paul
C. H. Reed
N. J. Richards
A. J. Tozier
P. H. Welch
L. E. Hand
T. S. Pinkham
Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

This week's newsletter from the Public Affairs office:

**QUIET DAYS ON THE LEGISLATIVE FRONT**

It was a quiet week in Augusta as the special session of the 106th Legislature continued.

Senator Harrison Richardson went before the Taxation Committee to explain his proposal to broaden exemptions for manufacturing and research equipment under the state sales and use tax law. It was a quiet public hearing. No opposition was voiced. The legislation (L.D. 2158) was covered in our December 14th newsletter.

While only time will tell, observers feel the major issue facing the forest industries will be that of timber harvesting controls. One bill supported generally by major landowners has been filed and another version is expected in a report from the Public Lands Committee.

Filed already have been bills (L.D. 2292) creating a State Workmen's Compensation Insurance Fund and another (2277) covering property tax appeals which would reactivate the Forestry Appeals Board.

**CANDIDATES, CANDIDATES...BUT ONE SAID: NO**

This week Senator Bennett Katz of Augusta said he was not going to run for the Republican nomination for governor.

But most of the men who were expected to jump into the race have done so or continue to say they will probably bid for the office. On the Republican side Senator Richardson has announced. Senator Wakine Tanous, Bob Monks, former Attorney General Jim Erwin are expected to soon be candidates. Possibly Senators John Cox of Bangor and Tarpy Schulten are still thinking about the idea. On the Democratic side, Senators Joe Brennan and Peter Kelley are running along with George Mitchell of Portland and Lloyd LaFountain of Saco.
LURC ZONING DECISION APPEAL

Seven landowners (including Great Northern Paper Company) have again appealed the Land Use Regulation Commission's zoning of Block I (22 townships in the upper Kennebec Valley). The scope of deer wintering areas placed in protection districts where permits are required for harvesting of wood is again a major GNP concern. If the current LURC plan to complete a comprehensive plan leads to a third zoning of the area, the suit will be dropped as was the first appeal.

PUBLIC RELATIONS

Two photographs of Senator Muskie's visit to the Millinocket mill were released to local newspapers.

Four news releases were prepared on personnel changes.

THE SENATOR ENJOYS A VISIT

U.S. Senator Muskie this week came to Millinocket and East Millinocket to start a 12-day tour of his home state. He enjoyed himself. In the mills, many workers thanked him for the role he played in getting Canada to approve a shipment of oil for use by GNP. Sam Casey expressed management's thanks during a social hour when the Senator chatted with a group of northern division managers and their wives. The Senator candidly said he did not know how much credit he and his staff deserved...but added he was delighted that so much effort by so many people had been followed by approval for another shipment of oil.

PUBLIC AFFAIRS

Memberships will be renewed in the State Chamber of Commerce and the New England Council.

PLAN OF WORK FOR 1974 COMPLETED

A plan of work for the Public Affairs Office for the year 1974 was completed, lumping goals together with the office budget and it will be circulated for comment. In the area of staff services, we will be working to improve internal communications. Our public affairs goals include improving lines of communications with the offices of the Maine Congressional Delegation. In public relations, our efforts will be directed at getting our information services for the news media and general public refined.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The Public Affairs Newsletter for this week is as follows:

**THE PUBLIC LOTS ISSUE (CONTINUED...)**

This week the public lots issue became a political football.

Senator Harrison F. Richardson, chairman of the Legislative Committee on Public Lands, took full page advertisements to proclaim he wasn't going to knuckle under to pressures from the timber companies. (attached) In Augusta, during a news conference, he joined Attorney General Jon Lund in charging that a massive lobbying effort is under way to block action on the lots during the special session of the Legislature now in progress.

If there is "a gargantuan lobbying effort" in progress, the lobbyists haven't heard about it, according to Lynwood Hand, GNP's legislative agent. He is on the scene regularly in Augusta.

Thursday Democrats on the Public Lands Committee accused Richardson of mixing politics with committee business. (clipping attached)

While Richardson was plugging for legislative action, two rivals for the GOP nomination (James Erwin and Wakine Tanous) say the issue should be decided in the courts.

At week's end, the Portland Press Herald pointed out that "paper companies and power companies and the like seem to be fair game for any political candidate" and said it was unfortunate that politics was getting into the picture. (editorial attached)

**INVESTIGATE THE FOREST INDUSTRIES?**

The Natural Resources Committee of the Legislature heard testimony this week on Rep. Douglas Smith's proposal for a study of the forest industries. Speaking for the Paper Industry Information Office, Morris R. Wing of International Paper Company opposed the bill as a "witch hunt" based on the Nader Report's contentions. If the study was focused on timber management, Wing said the bill would be welcomed. As filed, it also ranged over anti-trust matters and the Canadian bonded labor program.
Forest Industries (continued)

John Sinclair, president of Seven Islands Land Company, who favored the study, and Allagash area harvesters complaining about bonded labor, exports to Canada and lack of harvesting opportunities swapped questions and answers before the committee. They had taken their complaints about Great Northern and Seven Islands to the Bangor Daily News and a story appeared February 20. One jobber who was quoted in the paper as saying he would be without work in a few days, had the day before told a GNP representative that he wasn't in any rush (until after the mud season) to obtain a new contract.

The Maine Forest Products Council also favored the probe. Rep. John Martin and Senator Ed Cyr were legislators who favored the Smith bill as did Assistant Attorney General Lee Schepps.

CANDIDATES TOUR MILLS

Two Democratic candidates for Governor visited the Millinocket area this week. Lloyd LaFountain and Joseph Brennan greeted workers at both the Millinocket and East Millinocket mills, toured the plants and met with groups of managers.

TAX EXEMPTION BILL

The bill extending and broadening the sales tax exemption for machinery used in manufacturing and research is moving along toward the Appropriations Table. The "cost" of the bill (L.D. 2158) would be an estimated $500,000 revenue loss in the first fiscal year.

Sincerely,

[Signature]

Paul K. McCann
Manager-Public Affairs

pmc/b
On Friday, February 15, 1974, the Maine Times said:

"The timber companies may deny Harry Richardson the Governorship if he doesn't knuckle under on public lands..."

Republican Attorney General Jon Lund stated:

"No issue of these dimensions has been before the Legislature since the 1920's, when Governor Baxter fought many of these same private interests... private interests (that) brought a powerful lobby to bear against the state in an effort to acquire for nothing the lakes and rivers of the state."

Harry Richardson has an answer for them: He won't knuckle under.
Public Lands Issue
Shouldn't Be Obscured

The future of 400,000 acres of Maine wildland should not be obscured by gubernatorial politics.

It is unfortunate that this issue comes into such sharp dispute at a special session of the Legislature. It is not an emergency matter, although it qualifies for that category as well as most items considered at this special session. The policy in dispute has existed for over a century so one year, more or less, hardly seems critical. In a regular session the important matter could have been handled without the obfuscation of active election campaigning. Politics would have been at normal temperature, not in the fever of primary contests.

State Sen. Harrison L. Richardson, Cumberland, is seeking the Republican gubernatorial nomination. He is chairman of a special committee on public lands. He has legislation which would terminate the timber cutting rights enjoyed by a few paper companies since sometime between 1850 and 1880. The rights were sold for a mere pittance. The rights may have expired years ago according to at least one legal study, but the point is still in issue.

Senator Richardson is making a big thing of the opposition from the paper companies. He says his supporters have told him financial support will be directed to other candidates because of his position. He has said in very large type that he will not "knuckle under" on this issue.

Paper companies and power companies and the like seem to be fair game for any political candidate. They can be sure of some support in attacking and even more if they can convey the impression that they're being abused by the companies.

One of Senator Richardson's opponents in the gubernatorial primary race is James S. Erwin, who was attorney general when that legal study was made. A big hassle developed when Erwin refused to make public the results of that study. It was revealed only after he left office.

So there is a very large bunch of politics involved here.

We happen to favor the Richardson approach to the basic issue of the lands — that they should revert to public use after all these decades in which a few have enjoyed the fruits of those acres under terms of a compact negotiated more than a century ago.

And we recognize that there is no way of divorcing the issue from politics. Whether the Richardson bill makes it to the floor, what happens to it there if it gets that far, will still make campaign fodder.

But let that fodder be fed later. There is no need to prolong a legislative session already unduly delayed with primary election conflicts.
AUGUSTA, Maine (AP) — Democratic members of the Legislative Public Lands Committee Thursday accused the panel's chairman, Sen. Harrison Richardson, of grandstanding on the public land issue.

The minority members of that committee released a statement in Augusta, expressing hope that Richardson, a Republican gubernatorial candidate, has not damaged chances of enacting the public lands bill.

Richardson told a State House news conference earlier this week that a major lobbying effort had been launched against the bill and that "an atmosphere of intimidation" surrounds the measure.

"The result of Sen. Richardson's grandstand play may unfortunately drive support away from the bill that our committee staff has so painstakingly assembled," said House Majority Leader John Martin of Eagle Lake.

The Democratic floor leader said Richardson's statements have made it appear that any changes the committee makes in the bill would be "knuckling under to the paper companies."

Another Democratic member of that committee, Rep. Neil Rolde of York, said it was unfortunate that Richardson's political advertisements in newspapers have given the impression that the public lands issue was a one-man show.

"Many people have put in many hours on the bill and the report that we have been fashioning, and it has been done on a totally nonpartisan basis," Rolde said.

The public lands bill is a legislative effort to return 400,000 acres of public lands to the people of Maine.

The 400,000 acres were given to the state to be used for the best interest of its residents. The grass and timber cutting rights on those acres were sold for pennies in the 1850s and 1870s, mostly to the lumber industry.
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending February 18, 1974, follows:

**Organization? No, the Issue was Public Lots**

Along with other major owners of timberlands, Great Northern Paper Company during a February 14 public hearing opposed the concept of organizing the unorganized territories under consideration by the Public Lands Committee of the Legislature.

For the benefit of those on the distribution list, let me report highlights of your statement:

****

"The draft report on organization of the unorganized territory has been studied by our staff. It covers a lot of ground with a good many words...but in our opinion creates in the grand plantations another layer of government not needed in Maine."

****

"If the report's recommendations really boil down to another approach to the state's regaining the grass and timber rights, why not say so?"

****

"Our foresters tell me that on the average there are between 175 and 200 wood harvesting operations which take place annually on company lands.

"This year we will need over a million cords of wood to provide the raw material needed for papermaking and lumber manufacturing at Ashland by Pinkham Lumber Company.

"Beyond this, wood harvested from Great Northern land goes for many other uses, by many other people...the list is almost endless but all constitute products in demand in our society...and the demand creates jobs and payrolls far beyond those generated by our own operations or own skills."

****
"This points up our concern that whatever you do in the Legislature must take into consideration the need for an uninterrupted flow of raw materials, or thousands of people are going to suffer."

****

"The report contends that management of the forest resources is a state responsibility 'both on the public lots and the unorganized territories generally.'

"We interpret this as a proposal that the state up its forest management program as a full working partner of the forest industries.

"Yet we find only an appropriation for less than $50,000 attached to this entire proposal. How can you expect to get such a program off the ground for this amount of money?... I hope it does not mean a period of paralysis with under-staffed state agencies unable to cooperate with landowners.

****

While Chairman Harrison Richardson last week heatedly disclaimed any relationship between the organization concept and the public lots issue, Attorney General Jon Lund testified he supports such legislation as an important step in the state regaining the timber and grass rights on 320,000 acres of public lots.

Bob Cummings, the Portland newspaperman credited with starting the crusade to regain state control over the public lots, wrote:

"The state is contending before the courts that the timber cutting rights have already expired.

"The bill being considered by the Public Lands Committee in effect is a backup measure. If the courts rule against the state's position, the organization of plantations would set up another legal basis on which to challenge the private rights to the public lands."

Bureaucrats, the League of Women Voters and the Maine Municipal Association endorsed the report --- some with more enthusiasm than others. Small landowners, residents of plantations, and county commissioners joined the major landowners in opposition.

Meanwhile in Bangor, former Attorney General James Erwin says the place to settle the public lots issue is in the courts.

Both Richardson and Erwin are candidates for Governor.

The committee, which gave every sign of being split during the hearing, will meet Tuesday. At that time members may decide whether or not to formally report out the legislation.
ALSO ON THE LEGISLATIVE SCENE....

Pulpwood haulers turned out in force at a Transportation Committee hearing on L.D. 2261 to raise truck weights. The long hearing included a display of pulpwood trucks. The operators pleaded to have the law updated to match progress in construction of safety-engineered trucks and road-bearing improvements in highway construction. (The Maine Sunday Telegram opposed the bill and instead asked for an investigation into why the pulp haulers can't make a living under the present law.)

The appropriations covering the spruce budworm spray project for this year was approved by the Senate.

The House Friday by a vote of 128-2 moved along the bill expanding the sales tax exemption on new machinery for manufacturing and research.

Coming up this week will be a hearing on L.D. 2498 authorizing a $50,000 investigation of Maine's forest products industry. (See clipping) The hearing will be held at 1:30 p.m. Wednesday in Room 114.

NOW WE HAVE FOUR ON EACH SIDE:

This week Augusta Mayor Stanley Sproul became a candidate for the Republican nomination for Governor, the fourth to make a bid. Both parties now have four men in the field for the gubernatorial nominations. Sproul has been in the headlines. State Senator Joseph Sewall was cleared of conflict of interest charges after Sproul raised the issue.

SOLVING AN IMAGE PROBLEM

The paper companies operating in Maine have been under fire as an industry for several years. Some of our approaches to solving our public relations problems are included in the attached column by the editor of Oil Daily in which he talks about how the meat industry went about the job of improving its public image. (See clipping)

PUBLIC RELATIONS

A news release on our presentation before the Public Lands Committee was prepared for the Millinocket newspaper.

We forwarded for coordination with the sales department a revised format for a meeting with Maine daily newspaper publishers tentatively planned for March 5 in Millinocket.

GNP will co-sponsor tournament basketball games of Stearns, Katahdin and Ashland teams.

The inquiries regarding summer trips to company forest lands is starting to pick up. Other inquiries of the week included several regarding newspaper recycling.
Donations were approved for the Maine Heart Association, Christmas Seal campaign and the March of Dimes. Giving was at the 1973 level in all cases.

We were named to the executive board of Katahdin Area Council, Boy Scouts of America.

The third edition of the Northern Corner was published for employees. (attached)

Wendell Tremblay of Augusta, executive secretary of the Maine Fish & Game Association, toured the Telos mechanical harvesting operations. He was very favorably impressed by the GNP approach.

Peter Kelley, a Democratic gubernatorial candidate, met with a group of managers while campaigning in Millinocket.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Enclosures

Distribution:

J. R. Adams
R. W. Currier
A. E. Dentremont
P. I. Firlotte
D. G. Griffee
R. E. Gross
T. M. Knight
V. F. Mattson
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P. P. Paul
C. H. Reed
N. J. Richards
A. J. Tozier
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R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs Newsletter for the week ending February 8, follows:  

ON THE LEGISLATIVE SCENE  

The Public Lands Committee on the Legislature on February 14, in Room 228 of the State House will hold an unusual public hearing. Hearings are normally held on legislation. The February 14 session will be on a report calling for organization of the unorganized territory (Details in our last newsletter). It appears the Committee, which many say is split on the issue, will use the hearing as a test of sentiment for going the whole way --- reclaiming the timber and grass rights on the public lots. The matter is now before the courts. Opponents of the report are saying the Committee should await the court's ruling. This will probably be the theme of the spokesman for several segments of the forest industries, owners of the bulk of the timber and grass rights. They will also charge the Committee is considering a taking without compensation.  

But while GNP may face the loss of timber and grass rights on over 85,000 acres of land, the prospect of having unprepared state agencies as partners in managing thousands of acres of land may be an even more serious threat.  

GNP's interest in public lots fall into three categories:  

Lots on which the company owns timber and grass rights and the lines are evident and maintained on the ground......................... 10,666 acres on 19 lots  

Lots on which the company owns timber and grass rights, the lot is legally located, but the lines on the ground are not evident or are not being maintained....................... 33,585 acres on 46 lots  

Lots on which the company owns timber and grass rights and the lots have never been located by any means......................... 41,048 acres on 62 lots  

85,292 acres on 127 lots
In the final category, and possibly in the last two categories, the state agencies as co-owners of all interests would have to join in approving management plans and harvesting operations. Our flow of wood for papermaking and lumber manufacturing might well be temporarily slowed down, or even halted for a period of time until the mechanics of working together were ironed out and the state agencies beefed-up with the personnel needed to do the job.

This week the truck weight bill (L.D. 2261) is scheduled for public hearing in Room 105 of the State Office Building, Wednesday, February 13, at 1:30 p.m. (We covered this bill in our newsletter of January 28, 1973.)

A new version of the Forest Practices Act (L.D. 2500) sponsored by Representative Lynch of Livermore Falls was printed. The Committee on Public Lands also was planning a bill. It has been held up. Now there are reports the Committee may ask instead for amendments to L.D. 2500 which was drafted by a committee of foresters from the forest industries representing trade and professional organizations.

The spruce budworm control bill (L.D. 2077) was passed February 8 by the House and sent to the Senate. It got just the required number of votes (101-27) needed for enactment as emergency legislation. The Legislature has also ordered a study of the effectiveness of the spray program and possible alternatives.

There was action on two tax bills. L.D. 2158, extending the sales tax exemption on new machinery to be used for machinery and parts, was scheduled for House action on engrossment February 11. L.D. 2149, providing for a Maine Income Tax Credit for pollution control facilities, was sent back to the Taxation Committee because the bill did not include a required "loss of revenue" statement.

Other new bills included:

L.D. 2474.......the Maine OSHA plan.

L.D. 2478.......to combine hearings of low sulfur variances.

L.D. 2370.......transferring the Pesticides Control Board to Agriculture Department--rather than DEP as recommended by Longeley Commission.

L.D. 2482.......extending the Unemployment benefits period in energy layoffs.

L.D. 2490.......redraft of 2307 requiring permits for any dredging, filling or construction abutting any river, stream or brook.

L.D. 2498.......calling for a $50,000 study of forest industries, including 1) timber management; 2) impact of tree growth tax law; 3) economic impact of bonded 1 or program; 4) existence of anti-competitive practices of conditions; and 5) laws granting special or favored treatment. This reflects the Nader report.
THE MOOD OF MAINE (FEBRUARY - 1974)

Headlines of the week focused on the shortage of gasoline and the truck strike. Fewer trucks were rolling on state highways, attendants at truck shops quickly verified. The impact of the shortage of gasoline was hitting home quicker for residents of sparsely populated northern Maine. They long ago, for the most part, gave up using public transportation in favor of the automobile. At one Millinocket service station, customers were limited to a single $2 purchase a day. Stations were closing earlier. Yet, in some cases, it was easy to fill up a tank in Bangor. One sure thing was that the cost of traveling was going up.

WORKSHOP FOR NEWSPAPERMEN

With help from I. P. Phelps and H. F. Greig of the sales department, we finalized a concept for a workshop or seminar on newsprint. If approved by management, executives of Maine daily newspapers would be invited to Millinocket this spring. The primary objective would be to provide an opportunity for GNP specialists to bring the group up to date on market trends, problems and plans for the future. An important secondary goal would be the chance for GNP executives to get acquainted with the businessmen who manage the Maine newspapers. If editors or key reporters wish, they would be welcomed. It would provide a chance for those writers to gain background on the newsprint outlook.

PUBLIC RELATIONS

With material added in Millinocket to cover the northern division, a news release was issued on earnings of GNN in 1973 to the Bangor Daily News, Portland Press Herald and WMKR. All three used the story...the News, however, used an Associated Press version from New York without the Maine material.

Another news release on the same subject was released to the Katahdin Journal and weekly newspapers in Aroostook and Piscataquis counties where GNP employees live and work.

Two releases on promotions were also distributed to the local news media.

PUBLIC AFFAIRS

We discussed the need to tell GNP's story at a meeting of the East Millinocket Chamber of Commerce.

We also agreed to conduct a two-hour session for Aroostook businessmen on internal communications for the Small Business Administration. The SBA is sponsoring a seven week course at Ricker College. "Communication and Control" will be the subject April 16 in Houlton.
Katahdin Council, Boy Scouts of America, presented a sponsor plaque to Great Northern Paper Company. GNP is the largest single contributor to the council ($3,500) which serves northern Maine. The three GNP employees who serve on the council executive board made the presentation.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b

Distribution:

J. R. Adams
R. W. Currier
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IN OUR OPINION

Our public land: practically speaking

It isn’t easy to talk calmly about Maine’s hot public land issue. Without clear heads and some mutual accommodation neither the best interests of the private sector — the timber interests — nor those of the public sector — all of us — will be served.

Even with a legislative plan in the offing to settle the public lots affair, there’s an excess of hot air and a woeful lack of realistic consideration being given to inequities that will persist once the unorganized townships become organized under legislative decree.

Sen. Harry Richardson and his Public Lands Committee deserve credit for working hard to bring the Grand Plantations bill to near-fruition. But we’re disheartened by Sen. Richardson’s plan to exploit it in his drive to the Blaine House. And it’s more than the opportunistic ring in his cry that he “will not knuckle under” to the timber interests. Richardson’s inference that the timber owners are trying to buy his favor, or squash him like a gnat, is a little much. Certainly, the Cumberland senator’s implied accusations aren’t going to enhance the state’s bargaining position when the time comes to sit down for some serious negotiations with Maine’s major landholders over public lots.

That day will have to come, too.

Nor do we care for the wildland owners’ rigid posture to date. While some timber owners did take a positive step in suggesting to the Public Lands Committee that they were willing to make a deal, their motives seemed premised more on defensive tactics than any conviction that public control of some forest land might possibly be beneficial to the state.

We believe that the positive potential of state controlled public lots could do a lot more than provide some small state parks sprinkled helter-skelter about the state.

Dover-Foxcroft’s hope of setting up a local, investor-owned wood products industry fed by the public lots timber resource is a perfect case in point. Especially so if the federal inventory claim is correct: that half the wood growing in Maine is never harvested by the private timber owners; and that Maine grows only half the volume of wood that it could grow.

It seems to us not unreasonable to argue that, while the timber owners have a corporate responsibility to guard their resource against unfair usurpation, they have an equally binding responsibility, as members of the Maine community, to abide the state’s quest for a healthier and more diverse economy.
‘It’s Time We Got Organized, Fella’
The Wildlands Bill

The special session of the Maine Legislature will confront no issue more important than the proposal to create eight giant plantations in the unorganized wildlands of the state.

The proposal, the product of a year long study by a special legislative committee, should reach the House and Senate, hopefully this week, for action during the closing weeks of the session.

These newspapers wholeheartedly support passage of the Grand Plantations bill, a measure which will effectively terminate the timber cutting rights on about 320,000 acres of public lots now held by private timber interests.

These timber harvesting rights on land owned by the people of Maine were sold by the state as long as 120 years ago with the proviso that the rights would revert to the state when the wildlands were organized.

We think it is past time these timber rights — valued in excess of $30 million — were returned to the people of Maine.

As today's editorial cartoon indicates, lobbyists for those currently enjoying the financial fruits of the public lots are working diligently to defeat the proposal. They claim the issue is too complex to be decided at a special session and that, in any event, only the press of population should be a cause for organizing the wildlands.

They are of course wrong. The proposal has been well studied for the past year, both by the special legislative committee and by the Maine Attorney General's office. And without doubt the legislature is free to governmentally organize wildlands of this state at any time it desires.

We think it is time to do so. The public lots clearly belong to the people of Maine. And after a century we think it is time to restore the timber on those lands to the people of Maine as well.

At its most basic the Grand Plantations bill pits the broad public interest against the narrow, though influential, vested special interest.

The legislature should vote overwhelmingly in support of the public interest and enact the Grand Plantations bill.
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

Last week Congressman Bill Cohen revived the issue of the use of bonded Canadian laborers who harvest much of the wood used by forest industries in Maine. For the information of all those on the distribution for this newsletter, we will review the question in the public affairs newsletter which follows:

**Bonded Labor**

"Bonded Canadian laborers are supposedly certified by the Labor Department as filling a need that American labor cannot supply, but I have received complaints that Maine woodsmen may be presently losing their jobs to Canadians.

"With the state's unemployment rate at over 7 percent, I find it hard to believe that many of the jobs now filled by Canadians could not be as easily filled by Americans." --- Congressman William S. Cohen, R-Maine.

+++  

Bill Cohen has asked the Labor Department to undertake a "thorough review" of the program (see attached clippings) under which Canadian woodsmen are brought into the United States. State Representative Stewart Smith, D-East Corinth, according to radio news reports, later joined in attacking the program. Smith is seeking the Democratic nomination for the Second District seat held by Cohen.

We asked our woodlands and personnel departments what the impact would be on GNP if the U.S. closed the door on this source of labor. Their answer: "Disasterous!" Canadians bonded to GNP, Pinkham and logging service contractors represent probably 40 percent of the manpower involved in cutting wood for the paper and lumber mills, according to H. J. Deabay, woodlands personnel supervisor. While the Company has aggressively recruited and trained young Americans as harvesters, it will take years to replace the Canadians in the opinion of our managers. Only time will tell if such efforts can ever be successful, they say.
Bonded Labor (continued)

To put the picture in focus, one must consider the history of the industry and the geography of northern Maine.

Until World War II, GNP and other companies involved in harvesting wood had no problems recruiting woods labor. Those were the depression days and the post-depression days when a job was a job. Canadians were imported with governmental approval to fill the voids when our men went to war. When Johnny came marching home, the picture changed. He was no longer interested in seasonal work. The cities attracted he and others. The out-migration of young people from Maine picked up tempo.

Canadians living in Quebec border towns were closer (one to two hours driving time away) to most harvesting operations than Maine men. They were attracted by the opportunities offered in Maine. The bonded labor program was continued under federal and state supervision. It allowed companies and individuals to import under bond for a specific job Canadians when the companies could not fill the job with an American. The minimum pay scale for the Canadian is guaranteed under law. He must be assured work for 75 percent of the time he is to be in the United States. He must be provided workmen's compensation. Standards for food and lodgings are set by the government.

At its peak, the program saw over 5,000 Canadians at work in the forests of northern New England and New York. The total now is approximately 1,600—less than authorized.

Since World War II, companies on their own and in cooperative programs, have attempted to recruit Maine men. They had no success in attracting men into the northern forests. Maine men continue to harvest wood in populated areas. They are attracted to the mechanical harvesting operations. GNP's mechanical operation at Telos has all American labor. Last year GNP recruited 58 young Americans and put them through two ten-week training programs. Of the 43 who completed the courses, 18 are still on our payrolls. Others are cutting elsewhere in the state. It was a $150,000 project, financed entirely by GNP. No other company has made a comparable effort. Many are, however, supporting programs in high schools, or at vocational-technical institutes, as also is GNP. A new company movie is ready for showing on this subject --- the first ever made by one company operating in this state. While primarily a recruiting film, the movie also is designed to bring the public up to date on the better life available today in the field of logging.

GNP has seven company harvesting operations...five in the West Branch region...two in Aroostook. The Pinkham Company has an Aroostook operation. GNP employs approximately 125 bonded Canadians (we were authorized 180 in the last period), Pinkham about 25. But logging contractors who cut wood for company use probably require the services of 250 bonded Canadians. In addition to the 400 bonded harvesters, another group of about the same size is comprised of Canadians in the U.S. on visas. These men range from cutters to foremen to cooks to bulldozer operators.

Canadians are bonded to over 100 firms and individuals who employ them as wood harvesters in Maine.
Bonded Labor (continued)

The demand by Cohen for a "thorough review" of the program comes at a critical time. GNP is even now making ready applications for bonded labor for the May through October period of 1974. A delay in certifying the necessity for Canadians could create chaos.

NEWSPAPERMEN VISIT GNP

Newspapermen representing all Maine daily newspapers were briefed on the newsprint picture, manufacturing facilities, wood procurement and forest management, energy conservation, pollution abatement, high yield sulfite system, quality control goals and on other subjects of interest March 4-5 in Millinocket. They toured the East Millinocket mill and inspected No. 11 paper machine in Millinocket. The next day several of the group went to Telos to view the mechanical harvesting operation. The visit, first of its type (and another is planned for weekly newspaper personnel), was arranged by the sales and public affairs departments. Newspapermen (executives and editors) from Biddeford, Brunswick, Portland, Lewiston, Waterville, Augusta, and Bangor attended, although the Bangor participation was limited. Bangor's publisher plans a trip at a later day.

Executive Vice President Bob Hellendale and you both stressed that GNP recognizes its responsibilities to communicate with the press and the people of Maine. Ben Appleton pointed out the company's goals of providing more newsprint for consumers in the New England region. Getting across those two points were our major objectives. The response, evaluated by Mike Phelps, Bud Greig and I, was most favorable. Several visitors left saying they hoped we would do it on an annual basis.

ON THE LEGISLATIVE SCENE

In Augusta, the special session of the Legislature continued.

The Labor Committee put off action on the state OSHA plan (L.D. 2474) until the next regular session.

The Public Lands Committee decided against acting at this session on the forest practices legislation (L.D. 2500).

Redrafting is continuing on L.D. 2261, the proposal to increase truck weight and length limits. No specifics are available.

The Labor Committee is reportedly divided on L.D. 2292, the bill to create a Workmen's Compensation Fund. Instead of a state monolopy fund designed to cut the cost of insurance for "the little guy" the Committee may opt for a compromise which would allow competitive insurance...both a state fund and private insurance plans.

Amendments have been prepared to take the "witch hunt" provisions out of L.D. 2498 calling for a study of the Maine forest products industry.
 Legislative Scene (continued)

The president of the Maine Forest Products Council this week wrote the chairman of the Public Lands Committee to correct the statements he made at the recent hearing on the forest practices legislation, implying the council was not aware in advance of the bill drafted by the paper industry.

PUBLIC LOTS (CONTINUED...)

Senator Harrison Richardson and the staff of the Public Lands Committee Friday traveled down east to Edmunds and Saturday to Kingman and Caribou to plug for passage of L.D. 2545, the act creating the grand plantations which would organize the unorganized territories of the state. Richardson, who in Augusta on February 14 had contended that the bill had no relationship to the public lots issue, now is saying "every attorney he has talked with" believes passage of the bill would terminate the timber and grass rights in the hands of corporations and individuals.

In Edmunds people were solidly against the bill. People at the Kingman hearing were puzzled by the whole thing despite a hard sell approach of the committee staff. In Caribou, there was considerable opposition.

Bob Cummings, the Portland reporter who started the crusade to reclaim the rights for the public, fanned the fires with an eight part series publized in the Portland-Augusta-Waterville papers.

In Piscataquis County, an economic development group is working with Dick Barringer (director of the state bureau of public lands) on plans for utilizing the wood from the public lots once the timber and grass rights are reclaimed by the state. (Clipping attached).

The Public Lands Committee is planning a final hearing March 19 in Augusta on L.D. 2545. After than we can expect floor action in the Legislature.

PUBLIC AFFAIRS

A contribution was made to the Red Cross fund drive.

We also provided funds to permit a boy from each Schenck and Stearns high schools to attend Boys State, the annual governmental affairs training program of the American Legion. A scholarship for a girl from Stearns to attend Girls State was also financed. GNP contributed, too, to a fund for two Stearns students to attend a White House workshop in Washington, D.C., for young scholars.

We contributed to a fund which will finance the printing of a log book for Boy Scouts participating in the High Adventure program this summer in Maine. The book highlights the merits of the multiple use management program.
Public Affairs (continued)

Information on the proposed Bangor Hydro-Electric Company power rates were obtained for the power systems manager from the Public Utilities Commission in Augusta.

PUBLIC RELATIONS

In response to a question, we confirmed for the Bangor Daily News that a feasibility study for a kraft mill is under way by GNP. Rumors are widespread on the location, cost, etc. No further details will be released at this time.

Sincerely yours,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures

Distribution:

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P. P. Paul  P. F. Yacavone
C. H. Reed  R. E. Elston-Ashdown
N. J. Richards  R. R. Johnson-Port Edwards
A. J. Tozier  D. J. Krohn
P. H. Welch  " "
L. E. Hand  G. E. Veneman  " "
T. S. Pinkham
Our Forests...Yours to Enjoy - Nearly 58,000 visitors passed through three GNP checkpoints in the West Branch region during the 1973 season (May 27 to November 24). What attracted them? They told the attendants: 1) They came to ride and tour; 2) fishing; 3) camping; 4) hunting. The three checkpoints were located at 20-Mile (Pittston township), Silas Hill (T1-R13) and Abol (T2-R10). The busiest of the three was Abol with 32,000 visitors passing through and 11,583 cars. The count of cars included 2,863 from Millinocket. If the logging traffic were added to the recreational traffic, the total vehicle count for the season would top 35,000. The statistical breakdown, as recently compiled by Mrs. Lynette St. Thomas, who assisted her husband, Gil, in staffing the Abol checkpoint in 1973:

<table>
<thead>
<tr>
<th></th>
<th>20-Mile</th>
<th>Silas Hill</th>
<th>Abol</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maine residents</td>
<td>2,030</td>
<td>3,224</td>
<td>7,044</td>
<td>12,298</td>
</tr>
<tr>
<td>Out-of-State</td>
<td>1,297</td>
<td>2,543</td>
<td>4,539</td>
<td>8,379</td>
</tr>
<tr>
<td>Totals</td>
<td>3,327</td>
<td>5,767</td>
<td>11,583</td>
<td>20,677</td>
</tr>
<tr>
<td>Total People</td>
<td>9,049</td>
<td>16,728</td>
<td>32,024</td>
<td>57,801</td>
</tr>
</tbody>
</table>

Appointments - A. J. Tozier, manager of accounting has been promoted to the post of controller for the northern division. He will relocate in the Stamford, Conn. area. Tozier places Robert F. Bartlett who has been named assistant manager of woodlands in Millinocket... Philip F. Mendola has been promoted to the newly created Stamford GNP post of manager-export transportation. He is responsible for all export shipping in both divisions... Bruce Michel has transferred from Nekoosa Edwards to the GNN office in Stamford as management science analyst.

Energy Conservation - While the average daily consumption of residual fuel oil remained about the same in February as it was in January, the number of barrels required per ton of paper dropped from 3.14 to 2.99...a reduction of 4.8 percent. Industrial Conservation Coordinator R. E. Gross, Jr., reported: "Certainly other things besides our conservation measures may have affected this improvement - favorable weather and water storage conditions, for example. We are justified, I feel, in claiming a good portion of this improvement resulted from the energy conservation efforts which our people have backed so solidly." Daily averages also dropped in both mills insofar as the use of diesel fuel, gasoline and kerosene were concerned. The Millinocket mill's reduction in gas use resulted from the resumption of bark burning in No. 3 boiler. Both mills returned on the average 4 percent less condensate back to the boilers during February. More work is needed in this area in the mills, Gross said.

Outside Accidents - During the months of January and February, there were 94 employees who reported to the Millinocket mill first aid department as the result of accidents outside the mill. Safety Supervisor Rollie Russell said 54 of those injured lost time from their job. A breakdown of the types of accidents: Slippery ice conditions...29; struck by flying, sliding or moving objects...26; struck against (contact with sharp or rough object and punctures)...19; overexertion (strain-hernia)...12; fall on different level...4; caught in or between...4.

This newsletter is printed on Baxter Text made in Millinocket.
Newspapermen Visit - Executives from all of the state's daily newspapers visited the Millinocket and East Millinocket mills March 4 and the Telos mechanical harvesting operation the following day. They came from Biddeford, Portland, Lewiston, Brunswick, Augusta, Waterville and Bangor. GNP managers and specialists briefed them on the newsprint picture, forest management, energy conservation, pollution abatement, the high yield system and quality control objectives. The newspapermen toured the East Millinocket mill. In Millinocket the group inspected No. 11 paper machine. The following day at Telos they saw the company's mechanical harvesters, delimbers and grapple skidders at work. GNP papers are used by all of the dailies.

Congratulations! - Four employees have recently completed courses and been reimbursed for costs incurred under the GNP educational assistance program (100% of the first $35, 75% of the remainder). Mrs. Gilda Stratton (administration building) and Donald McDonnell (stores supervisor-Millinocket mill) took a business data processing course and Linwood Charette (data processing) took the computer operator course. All three were Husson College courses offered in East Millinocket. Leslie Johnson, Jr., (Millinocket electrician) completed a course in servicing electrical appliances and small tools given by the National Radio Institute.

The Dogs Are Coming! - The American Broadcasting Company now says the American Sportsmen program featuring W. H. (Wiggy) Robinson's bird dogs will be broadcast March 31 over Channel 7 in Bangor.

"Mud Season" Preview - Temperatures climbed into the low 60s in Millinocket, according to the power systems staff. The warm weather shattered records for the first week in March all over the state and gave the woodlands department a preview of the "mud season" to come. Trucking in both the West Branch and Aroostook regions had to be curtailed until temperatures dropped and roads firmed up. The company had planned to continue full-scale hauling operations through the middle of the month. Nearly 100,000 cords of wood have been piled down in areas accessible in all types of weather. This inventory will allow paper production during the spring breakup. If roads dry out and trucking is resumed early in May, no problems are anticipated. Shortages plagued Great Northern and other forest industries last year. Wood harvesters, except for the men assigned to the Telos mechanical operation, will soon go on leave for from five to seven weeks --- the annual break they take during "mud season." Plans call for resumption of cutting during the first week in May.

Safety Contest - Three of the four teams involved in the Millinocket mill maintenance employees safety contest went through the month of February without a disabling (lost time) injury. A man on the remaining team lost two days of work as a result of a mishap. In the first month of the contest, the number of reportable injuries also dropped from 32 in 1973 to 29 this year. "Let us try to do better. It is our lives and our well being," Plant Engineer Galen Lande said in a report to employees.

Telephone Listings - Revisions in the cards covering Millinocket and East Millinocket extensions since the last listings were published include the following:

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone Number</th>
<th>Name</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>P. I. Firlotte</td>
<td>245</td>
<td>T. W. Kelly</td>
<td>524</td>
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<tr>
<td>T. L. Griffin</td>
<td>355</td>
<td>V. V. Lapinoja</td>
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</tr>
<tr>
<td>R. E. Gross</td>
<td>571</td>
<td>E. M. McGreevy</td>
<td>241</td>
</tr>
<tr>
<td>R. H. Hale</td>
<td>404</td>
<td>R. E. Mullis</td>
<td>246</td>
</tr>
<tr>
<td>W. A. Hand</td>
<td>416</td>
<td>D. J. Plourde</td>
<td>466</td>
</tr>
<tr>
<td>R. J. Hoffman</td>
<td>468</td>
<td>L. H. Wheaton</td>
<td>553</td>
</tr>
</tbody>
</table>

East Millinocket: G. H. Cook Jr. 212

Don't Forget! - If you are interested in improving your reading skills, a course in Millinocket will be offered under the Reading Improvement Through Study Program. For details, call the training department at Ext. 471.
March 18, 1974

Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The public affairs newsletter for the week ending March 16 follows:

**THE PUBLIC LOTS**

One more hearing by the Public Lands Committee at 1:30 p.m. Tuesday, March 19, in Room 228 of the State House should be the last on this issue before the Legislature takes action on the proposal to organize half of the state into eight grand plantations. Once the Legislature approves such a proposal, the timber and grass rights on 320,000 acres of timberlands would revert to the state. GNP owns 25 percent of the rights.

The Committee hasn't been drumming up much support from the general public but Bob Cummings has been hammering away effectively in the Portland-Waterville-Augusta newspapers which last week put their editorial weight behind the bill. (See attached editorial) It took two meetings but the Natural Resources Council of Maine finally came out in support of the proposal.

Saturday, March 16, we were invited to Kingman by a group of residents of the unorganized territory. They wanted to hear "the other side" of the story after having heard Senator Richardson and the staff speak a week ago. Lynwood Hand and I joined representatives of Georgia-Pacific and Diamond International Corporation at the meeting. The response was good. Most of the group were convinced they are only pawns in the power struggle over the lots and saw little to benefit them in the grand plantation measure.

**Dickey-Lincoln Power Dam**

With the energy shortage as momentum, this project has been revived. The Dickey-Lincoln project would harness the hydro-electric power potential of the St. John River. Senator William Hathaway, long the major advocate of the project, now sees die-hard environmentalists as the chief stumbling block to construction. The Corps of Engineers will bring members of the New England Council's Natural Resources Committee up to date on the project at a March 20 Boston meeting. We plan to attend. All of Maine's major public power companies have in recent weeks thrown in the towel. Central Maine, Bangor Hydro and Maine Public Service will no longer oppose the concept.
In Augusta this week developments included:

An amended version of L.D. 2498 calling for a study of Maine's forest products industry was reported out of committee as L.D. 2567, An Act Authorizing a Study of Maine's Forest Resources and Opportunities for their Better Utilization. The bill was stripped of the "witch hunt" procedures opposed by the pulp and paper industry.

Now there are reports that the Labor Committee is split four ways on L.D. 2292, the bill to create a State Workmen's Compensation Fund. Some members would prefer to put off action until the 107th. Others would like to kill the proposal. One redraft would provide for a State Fund as well as self-insurance. Another version would allow a "competitive" state fund.

A report is expected next week on L.D. 2261, the proposal to increase truck weight and length limits.

The proposal (L.D. 2149) providing a state income tax credit for capital construction of pollution abatement facilities (see our January 28 newsletter for details) ran into trouble. The bill was indefinitely tabled in the House. Attempts will be made to revive it by overcoming objections that the price tag (the loss in revenue) is not realistic.

PUBLIC AFFAIRS

With C. L. Nelson and E. E. Chase, Jr., of the woodlands department, we attended the annual meeting of the Maine High Adventure Advisory Committee. This Boy Scout program offers young men and women from all over the country opportunities to travel through the woods of Maine. One of the two High Adventure bases to be operated in 1974 will be the Pittston Farm site used a year ago.

The fourth edition of the Northern Corner (attached) was distributed to all employees of the division.

Ken Liberty, Scout executive for Katahdin Area Council, visited Millinocket to discuss the Council's 1974 fund drive.

A contribution was approved to the Millinocket Youth Hockey Association.

PUBLIC RELATIONS

News releases on four appointments were distributed to the Bangor Daily News, Katahdin Journal and WMKR.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures
March 22, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The public affairs newsletter for the week ending March 22, follows:

**SENATE REJECTS "GRAND PLANTATION" SCHEME**

The Senate March 22 rejected Senator Harrison Richardson's attempt to win approval for the "Grand Plantation" scheme (L.D. 2545) which would have divided half of the State of Maine into eight giant plantations. Almost everybody agreed that the passage of the legislation would also terminate the timber and grass rights held by companies and individuals. GNP owns 85,000 acres of such rights.

The vote in the Senate was 19-7.

Lynwood Hand, Great Northern's legislative agent, said that the vote, in all likelihood spelled doom for the proposal for this session. It is on the House calendar for Monday, March 25.

Even before the vote Richardson, a candidate for the Republican nomination, was saying that if the proposal went down to defeat it would become a campaign issue "not just in my campaign, but in the campaign of everyone running for office this year. The overwhelming majority of Maine people want the land returned to them."

Observers on the scene said the debate, in which Richardson spoke six times, was marked by clashes between him and a political ally, Senate President Kenneth MacLeod, R-Brewer. MacLeod was a member of the Public Lands Committee. After at first indicating support for the "Grand Plantation" idea, he reversed himself. The committee ended up split (five against five).

In the debate, MacLeod said the people of the unorganized territory wanted no part of the plan to organize the territories' in which they live. He charged that the most of the committee in executive session conceded the grand plantations as a form of government were undesirable. He said they had talked about repealing the law in a couple of years -- as soon as the grass and timber rights
had been terminated. Not so, Richardson replied. Yes, reported MacLeod, who called on another member, Senator Clifford of Lewiston, to confirm his statement. Clifford, a proponent, conceded that the committee had discussed repeal.

Senator Wakine Tanous joined MacLeod in leading opposition to the plan. He said people in the unorganized territory had the right to decide their own fate. Tanous said talk that the paper companies had stolen the timber and grass rights was ridiculous. He said that the companies had bought them from others who acquired them in Maine's early days of statehood. The paper companies, he said, were not even in existence when the timber and grass rights were originally sold off. He said no lobbyist or paper industry official had been trying to twist his arm and belittled Richardson's charges of "gargantuan lobbying". Tanous said he wasn't prepared to knuckle under to any newspaper editors. He cited the Fin & Feather Club's opposition to L.D. 2545. Like Richardson, Tanous is a candidate for the Republican gubernatorial nomination.

The vote:

For - Brennan, Clifford, Cyr, Kelley, Morrill, Richardson, Speers.

Against - Berry, Cianchette, Conley, Cox, Cummings, Fortier, Graffam, Greeley, Haskell, Henley, Hitchins, Huber, Katz, Marcotte, Minkowsky, Wyman, Tanous.

(Sewall was excused because of a possible conflict of interest. Danton, a proponent, paired with Anderson, an opponent.)

The vote capped a week of intense activity on the legislative scene. A public hearing was held on the bill March 19. (Clippings attached cover the hearing and the charges swapped in the hearing room.) Perhaps the most significant trend of the hearing was the failure of the Public Lands Committee to drum up a single supporter from the unorganized territory. Staff Forester J. R. Goody and Hand represented Great Northern. Hand called for "fair play" and again said the company was willing to exchange or sell the rights to the state. Goody answered several questions on leases and land management policies.

If a compromise settlement isn't reached, the issue will be fanned in the months ahead during the gubernatorial campaign and the stage set for another legislative debate when the next session opens in January of 1975.

**The Legislative Scene**

The special session was expected to adjourn during the week of March 25.

Issues of interest still up in the air were proposals to increase the allowable weight of trucks on public highways and state involvement in workmen's compensation insurance.
OIL SPILL INFORMATION

With guidance from Pat Welch, we prepared and distributed to
158 supervisory employees your memorandum calling for cooperation
in preventing and reporting oil spills. The guidelines for reporting
such incidents as well as questions and answers on the subject will
be published in the March 27 edition of the Northern Corner.

PUBLIC AFFAIRS

A contribution to the Millinocket Music Boosters was approved.

We recommended against contributions to the New England Babe
Ruth Tournament next summer in Augusta and also against a donation
to the Maine League of Women Voters.

We met with Ken Liberty, scout executive of the Katahdin Area
Boy Scout Council, to consider plans for the 1974 fund drive.

PUBLIC RELATIONS

We provided Down East Magazine with information on use policies
governing the West Branch hauling road.

Sincerely,

Paul K. McCann
Manager-Public Affairs

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G. E. Veneman " "
Richardson Is Optimistic
Wildlands Bill Will Pass

By DAVID HIMMELSTEIN

AUGUSTA, Maine (AP) — Sen. Harrison L. Richardson said Thursday he's "cautiously optimistic" about passage of a bill bringing organized government to the state's wildlands—despite a last minute reversal against the measure by Senate President Kenneth P. MacLeod.

MacLeod, a member of the Legislative Committee on Public Lands, sided with the panel majority Wednesday in a 6-4 vote for an "ought to pass" report to the legislature.

"This (Thursday) morning he told me he changed his vote. I asked him why, and he said that he just changed his mind," Richardson said.

The Cumberland Republican said he doesn't believe the new 5-5 committee split on the bill will affect its chances for legislative approval.

He described the bill which would create eight "grand plantations" out of the state's ten million acres of unorganized townships as "the most complex issue I've ever dealt with."

It's also been one of the most controversial measures considered by the current special legislative session, chiefly because it would result in the return to full public ownership of 400,000 acres of public lots.

Under the terms of a 19th Century contract, the timber cutting rights to the lots are now held by pulp and paper companies. However, the timber rights sold by the state revert to the public when organized governments are formed.

"The lobbying is by the pulp companies," said Richardson. "The lobbying by the paper companies has been gargantuan. I still maintain a belief that the legislature will judge the bills on their merits, and return the land to its rightful owners, the people of this state," he said.

Richardson, a candidate for the Republican gubernatorial nomination, said lobbyists for paper companies have told some of his legislative colleagues that all financial support of his campaign would be withheld if he pushed for the bill's passage.

He predicted that if the bill is defeated "it will become a political issue, not just in my campaign, but in the campaign of everyone running for office this year. The overwhelming majority of Maine people want the land returned to them."

Richardson conceded that the bill faces an uphill fight in the Senate, but said he wouldn't organize a lobbying effort for its passage when it comes before the upper chamber—probably Friday.

"If the bill is defeated, so be it. I'm not an arm-twister, and I'm not going to go around collecting personal IOU's," he said.
March 29, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine 04462

Dear Bob:

As this was being written, the Legislature in Augusta was winding up the longest special session on record. This edition of the public affairs newsletter will hit the highlights. Some loose ends will remain to be covered, particularly in reporting on the truck weight legislation.

**LEGISLATURE**

"Enough! the people cry, Enough! Have mercy, have mercy, have mercy. Disband, cease, desist, go home, end this travesty. Dismantle the 106th, strike it from the records." --- editorial from the Maine Times (March 29) written by Editor John Cole.

John's anger was understandable.

For the first time in years, a majority of the Legislature refused to pile new straws on industry's back.

A quick run down of bills of interest to GNP:

Grand Plantations (L.D. 2545) --- Killed. "I believe that this bill, or one like it, will ultimately pass. Whenever you have a major piece of legislation like this which is vigorously opposed by a highly-financed lobbying effort by special interests, it takes more than one session to get it through," lamented Senator Harrison L. Richardson. In last week's newsletter the Senate vote (19-7) was reported. Monday (March 25) the House joined in opposing the scheme (80-71) and the following day rejected (85-50) an attempt to revise the issue.

Forest Products Industry Study (L.D. 2567) --- Killed for lack of money. Advocates had backed off earlier from a "witch hunt" based on the Nader report. Representative John Martin on Friday, asked and got, industry support in trying to revive the compromise version. The outlook was dim.
State Workmen's Compensation Fund (L.D. 2581, redraft of L.D. 2292) --- Both the "monopolistic" fund approach, originally proposed by Representative Smith of Dover-Foxcroft and the redraft creating a "competitive" fund failed to survive. The matter was put off for study. Associated Industries of Maine had endorsed and worked for the "competitive" fund for two major reasons: "1. The competitive fund concept could be of benefit to a great number of our members due to the elimination of the assigned risk pool and reduce rates; 2) The competitive fund will return in the next legislature since gubernatorial candidates of each party intend to make it part of their program."

Industrial Machinery Bill (L.D. 2518) --- Because of the lack of funds, this bill was amended and passed to cover only rented machinery. As originally proposed, it was an attempt to broaden the sales tax exemption (5%) on all new machinery used in research and manufacturing. The anticipated loss in revenue of $540,000 was too much for the Legislature to absorb.

Pollution Investment Tax Credit (L.D. 2149) --- Killed.

Truck Weights (L.D. 2261) --- The fate of the bill in a new draft was still up in the air late Friday. Chances of passage were favorable. If passed, heavier loads would be permitted on state highways.

Timber Practices Regulation (L.D. 2500) --- Killed when small landowners protested it was too much regulation for them to absorb.

Oil? A Delay In The DEP's Decision

The Pittston Company's bid to build an oil refinery at Eastport hit a snag this week. The State Board of Environmental Protection, after hearing from the Attorney General, gave the company additional time to acquire all land involved in the project. Three lots are involved. There were reports that the board went 4-3 in favor of the project in an informal vote. The case may be reopened in a month or two and a final decision made at that time.

Public Affairs

Another issue of The Northern Corner was distributed with emphasis on oil spill prevention and reporting procedures. The Millinocket newspaper wanted a chance to print it. The results were unsatisfactory.

A contribution of $500 was approved for Northeast Health Planning Council. The group would have a major voice in approving any expansion of facilities at the Millinocket Community Hospital.
Prepared and circulated the first draft of a proposed guide to GNP roads in the West Branch region. The folder would be distributed to visitors passing through the Siras Hill, 20-Mile and Abol checkpoints.

Prepared and circulated a draft of a news release on GNP's 1974 road use policies.

Provided State Department of Commerce and Industry with information on 1974 mill tours after consulting with Central Personnel.

Attended a Bangor meeting of the North Maine Woods Council with L. W. Hazelton of Woodlands Department. The Council is asking GNP to turn over all state operated campsites to the Council. A new fee schedule would require all visitors (over 15) to pay $2 each only once during the entire season instead of each time they pass through a checkpoint. Campsite rental fees would also favor the Maine resident. This may represent a partial solution to the objection of Maine people to the gate fees.

Sincerely yours,

Paul K. McCann
Manager-Public Affairs

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T. S. Pinkham  R. R. Johnson-Port Edwards

D. J. Krohn  "  "
G. E. Veneman  "  "
April 5, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine - 04462

Dear Bob:

With the legislative session over, it was a comparatively dull week on the Maine scene. The Public Affairs Newsletter follows:

STATE GOVERNMENT

In the face of opposition from most Maine newspapers, the State Department of Transportation and the usual criticism from the railroads and the American Automobile Association, Governor Curtis, April 4, signed into law a bill (L.D. 2592) increasing truck weight limits on State Highways.

The Governor did not act until the last minute. If he had not signed, the bill would have died with a "pocket veto". Even as he signed, Curtis indicated that he was concerned the new weight limits would create problems as well as benefits for the State. Transportation Commissioner Roger Maller called it a "distructive piece" of legislation. He warned that the DOT would have no choice but to bar trucks from using some bridges. Many old spans, he said, can not safely absorb the loads which will become legal.

The legislation was the product of an effective joint effort by the "little guys" and the "big guys" - the forest industries. On public television April 4, House Minority Leader John Martin said pulp contractors (the "little guys") had fought for the bill... over 20 of them from Central Aroostook Country urged his support for the legislation. They contended that the new and modern trucks now on the market have the capacity to safely haul such loads. There is no doubt it will be a big economic boost for the contractors. They account for approximately 20 per cent of the GNP wood supply.

The new law allows 100,000 pound loads with six axle trucks. The previous limit was 73,280 pounds. The law becomes effective in 90 days.
DICKEY-LINCOLN

There are indications that International Paper Company and other landowners with holdings in the St. John Valley will oppose the Dickey-Lincoln Hydro-Electric Project which has been revived in these times of energy shortages. GNP is not a major landowner in the region.

Environmentalists are also warming up for a fight over the proposal to have Congress this year allocate $800,000 for planning the project. They charge the power will go out of state. They say the dam will flood one of the nation's most famous canoe trips. They worry about the wild and scenic river qualities of the St. John. And in this case, they say thousands of acres of productive timberlands will be flooded.

NORTH BRANCH BRIDGE

The State Department of Inland Fisheries & Game, Natural Resources Council of Maine and a canoe club have asked for a public hearing on Great Northern's proposal for a bridge over the North Branch of the Penobscot. It was permit extension of the main hauling road of the West Branch System.

Attorney Lynwood Hand and Staff Forester J. R. Goody visited the bridge site with Land Use Commission Staff Members April 3.

The public hearing is scheduled Tuesday, April 9, in Augusta.

PUBLIC LOTS

Almost every newspaper in the state bemoaned the defeat of the Grand Plantation Bill. Typical of the editorial comment was that in the Daily Kennebec Journal in Augusta:

"The paper companies won a battle in bringing about defeat of the public lots bill, but even they must know they cannot win the war. The tide is running against them. The day of perpetual feudal rights in this, Ralph Nader's Paper Plantation, are gone."

PUBLIC AFFAIRS

And as you know, we planned to go to the weekend Colby Institute for Management.

PUBLIC RELATIONS

With guidance from Central Personnel, we authorized placing of the advertisement entitled "People, Maine's Most Precious Resource...." in the convention edition of the Maine State Labor News.

Sincerely yours,

Paul K. McCann
Manager-Public Affairs
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

This week's Public Affairs newsletter follows:

**TRUCK WEIGHTS**

The Legislature enacted a law permitting increases in truck weights on Maine highways 90 days from the date the special session ended. (See Public Affairs newsletter of April 5)

Now the Maine Municipal Association's executive secretary has asked the Secretary of State for petitions to initiate a statewide referendum on the subject. The opposition will need 35,000 signatures to take the issue to the people. In Augusta, the State Department of Transportation continues to warn that the law as finally passed will permit loads which cannot be tolerated without damage to road surfaces and bridges. In addition to the MMA, the petition drive may well get support from the usual foes of such legislation --- the railroads and the AAA. Other groups which could jump into the fight could be the Maine Truckowners Association and the Maine Good Roads Association.

It passed with a coalition of support from the forest industries and the independent pulpwood contractors.

**PUBLIC LOTS**

"Some company oriented members of the committee on public lands have advised us not to worry, as the cutting rights will be restored to the state by December, 1974.

"Don't hold your breath!"

That is what State Representative Ezra James Briggs told a senior seminar in resource economics at the University of Maine this week. He was a member of the Public Lands Committee who fought vigorously for passage of the Grand Plantation scheme.

Despite what the long-time environmentalist had to say to the students, a solution to the issue is now being sought.
COLBY MANAGEMENT INSTITUTE

The theme for the annual session was shortages.

Many of the 175 businessmen who attended the April 5-6 sessions in Waterville came away with a message that things are never again going to be the same. Donaldson Koons, the new state conservation commissioner, and one of several speakers entitled his talk "Use It Up...Wear It Out...Make It Do." Koons, a geologist, forecasted mounting shortages. If alternate sources of energy are going to be developed, he said the leadership must come at the federal level.

Dick Hawkes, a Keyes Fibre vice president, illustrated the topsy-turvy world situation by citing the cost of oil by barrel in countries where his company has plants. In Norway, it is $18.67...in France $4.33...in Italy $8.40...in Venezuela $.33...in South Africa there is none available and the plant is being converted to coal.

Virginia Barker, an economist on the staff of Data Resources in Lexington, Massachusetts, predicted that Maine and the nation face some rough times in 1974 before the economy surges ahead next year. (One interesting statistic: 40 percent of the new homes will be mobile homes in Maine; more than in any other state in New England.)

PUBLIC AFFAIRS

We conducted a two-hour Small Business Administration seminar on communications for 15 Aroostook County residents in Houlton.

Another edition of The Northern Corner (attached) was distributed to employees.

Contributions were approved for the Maine Council on Economic Education and the Dover-Foxcroft Academy Band (the band is raising money to help cover costs of a tour of Europe). The Economic Education program is designed to broaden the business education offerings in public schools. Scholarships are offered teachers for summer workshops coordinated by the Council.

THE NORTH BRANCH BRIDGE

Attorney Lynwood Hand and Staff Forester J. R. Goody represented the Company on a Land Use Regulation Commission hearing on the request for a permit to build a bridge over the North Branch of the Penobscot River. It is necessary to extend the main hauling road of the West Branch road system.

Objections from the Maine Department of Inland Fisheries & Game, Natural Resources Council and William F. Stearns, an officer of the Paddle & Chowder Club of Orono, but acting on his own, resulted in the hearing.

The Company asked for a quick ruling to permit construction during the season ahead. Copies of Ray Goody's statement have been circulated and cover the GNP position.
PUBLIC RELATIONS

We drafted a news release for WMKR (Millinocket), the Katahdin Journal and the Bangor Daily News asking people to stay off the Golden Road in the vicinity of Millinocket where trucking is heavy in the pile-down area.

Sincerely,

Paul K. McCann
Manager-Public Affairs

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L. E. Hand  D. J. Krohn  "  "
T. S. Pinkham  G. E. Veneman  "  "
April 19, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending April 19, 1974, is as follows:

**The Candidates**

The names of the candidates for nominations in the June 11 primary elections for major state offices and for legislative seats in northern Maine are attached to this issue of the public affairs newsletter.

Maine has more faces in the field for gubernatorial nominations than at any time in memory. There are a half dozen Democrats and four Republicans seeking the nominations. Observers gave Jim Erwin the lead on the GOP side at this stage of the game with Pete Kelley and Joe Brennan given the edge in the Democratic race.

While the official lists are not yet printed, we also obtained from the Secretary of State's office the names of the Senate and House candidates. There are many familiar faces with some incumbents paired against other incumbents as the result of redistricting.

With Wakine Tanous of East Millinocket seeking the GOP gubernatorial nomination, five men are seeking the District 30 State Senate seat. Four Democrats and a Republican are in the race for the Millinocket seat to be vacated by Democrat Leon Crommett.

Looking down the road, political observers feel the House is going to be a toss-up in the general election in the fall. Republicans now have a 79-72 edge. The Senate is now controlled 22-11 by the same party. While most observers think the Democrats will make gains, they expect the GOP to retain control of the upper house.

Of interest to employees is the fact that former Vice President John Maines is seeking a House seat and Rod Farnham, former woodlands department personnel supervisor, is a candidate for another term in the House.
HEARING ON BONDED LABOR

The bonded labor issue was aired at a hearing in Presque Isle attended by H. J. Deabay and T. S. Pinkham.

The Bangor News report attached summarizes the hearing which was presided over by State Representative Stewart Smith of Exeter who is running for the Democratic nomination for the Congressional seat now held by Bill Cohen.

Both Tom and Henry came away feeling that Great Northern Paper Company had made a good case before legislators and federal officials. Deabay told them of the training program for young harvesters.

PUBLIC RELATIONS

A news release on first quarter GNN earnings was coordinated with Bob Vivian and distributed to Maine media. It appeared in the Bangor Daily News essentially as was desired.

With assistance from the Millinocket mill personnel department, we answered Katahdin Journal questions regarding the youngster who fell into Millinocket Stream and was rescued this week. A log extending out over the stream from which the youngster apparently dropped into the water was pulled back away from the water as suggested by the reporter for the local newspaper.

Copies of the GNN annual report were mailed to Maine newsmen, with short personal notes to those editors and publishers who recently visited Millinocket and Telos.

In Augusta, we discussed the layout and content of the proposed newspaper supplement on the Maine pulp and paper industry with the executive secretary of the Paper Industry Information Office. We are not satisfied with the tone of the material and offered counter-proposals to improve the layout and make the text less self-serving.

PUBLIC AFFAIRS

Complete copies of new laws pertaining to their operations were distributed to the woodlands, Pinkham, power systems, environmental, and personnel managers.

A letter from the Executive Vice President of the division was mailed to all employees with assistance from the Central Personnel Department.

We asked Bob Rose of Senator Muskie's office for a map of the proposed lake to be created by the Dickey-Lincoln project. (The New England Council has distributed fact sheets on the project which are available to those managers with an interest in the project.)

Sincerely,

Paul K. McCann
Manager-Public Affairs
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The public affairs newsletter for the week ending April 26, follows:

**GNP’S LEGISLATIVE AGENT**

The special session of the Legislature lasted four months.

Now, for the first time, one month following the conclusion of the special session all legislative agents or "lobbyists" must file reports with the Secretary of State indicating which pieces of legislation they favored or opposed, and how much they were paid.

We can expect a lot of fanfare over this first filing.

The people who have contended the paper industry lobby runs the Legislature will have a chance to see how much the companies spent and to some extent evaluate which issues the companies tried to influence.

In the case of Great Northern, the file will reflect the work of Attorney Lynwood Hand of Houlton. His services are shared by this company and the Bangor & Aroostook Railroad. Hand is on an annual retainer as legislative agent ($7,500). His expenses for travel, lodging, meals, miscellaneous expense and telephone service paid by GNP were $1,100.

On the issues, Hand's report shows GNP interested in 22 bills of which we opposed five: the "Grand Plantation" plan, eliminating the waiting period under the ESC law, the first proposal to probe the state's forest industries, eliminating the waiting period for unemployment compensation applications who lost income because of the energy shortage, and the state OSHA plan.
THE REPUBLICAN PLATFORM

In their 1974 platform adopted at the April 19-20 state convention in Bangor, Republicans included a call for...

"Return of the public lands in an equitable and reasonable manner to the citizens of the State of Maine."

Democratic candidates for governor quickly took advantage of the situation, pointing out that if Republicans had not killed the "Grand Plantation" scheme this would have taken place in the special session. Senator Harry Richardson, the GOP candidate for Governor and loser in the "Grand Plantation" fight, saw the plank as an indication that Republicans in general were not as hidebound as his colleagues in the Legislature.

The GOP platform contained little new. Delegates backed off from supporting the Dickey-Lincoln power project.

TRUCK WEIGHTS AND THE MMA

The Maine Municipal Association is the association which represents Maine's cities and towns on the legislative scene. As we reported in the last issue of this newsletter, the Association's Executive Secretary is polling members on the advisability of forcing a statewide vote on the truck weight bill passed by the special session.

This week, with assistance from personnel in the Woodlands, Townsite and T. S. Pinkham divisions, nearly two dozen communities were advised of our position favoring this bill because of the benefits to truckers and contractors with whom we do business. Most communities in northern Maine are opposing sending the issue to a statewide vote.

PUBLIC RELATIONS

We invited the editor of the St. John Valley Times in Madawaska to attend the Edmundston, N.B., banquets for Great Northern and Pinkham Company woods workers and their wives.

Frank Sleeper of the Portland Press Herald called requesting a copy of Great Northern Nekoosa's Form 10-K filed with the Securities Exchange Commission. This financial summary was mailed to him by Mr. O'Handley.

Copies of the GNN annual report with our business cards were mailed to media people, trade associations and others on the Maine scene.

With your OK, we permitted a reporter from the Katahdin Journal to photograph the Millinocket stream area where a youngster was saved from drowning last week.
Public Relations (continued)

In response to an inquiry from John Keys of WMKR, we provided information on a fire in the Millinocket mill.

Several releases on promotions were drafted and/or released as photographs became available.

With assistance from the manager of manufacture and the power systems manager, we updated the data and personnel lists for the Post Pulp & Paper Directory.

With assistance from purchases and woodlands, we provided the Paper Industry Information Office with gasoline and diesel oil use projections for the State Civil Defense Office.

PUBLIC AFFAIRS

A contribution was approved to the Bangor Symphony Orchestra.

An advertisement was drafted for inclusion in the Fin & Feather Club's "Sportsman's Guide" place mat. It will offer information on mill tours.

An issue of the "Northern Corner" was prepared for distribution (attached).

A list prepared by woodlands of logging contractors doing business with GNP was put on the accounting department computer to enable us to mail the "Northern Corner" to them. With the first mailing, we also provided copies of the GNN annual report and a letter from Woodlands Manager R. W. Currier. This is a follow through on your suggestion that we support Woodlands in a long-range effort to improve communications with these people who are an important source of raw material. The list includes 150 individuals and companies.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

This week's newsletter from the Public Affairs Office follows:  

THE GOVERNATORIAL RACE: ENTER JIM LONGLEY  

Jim Longley, the Auburn insurance man who served as chairman of the business-financed Maine Management & Cost Study, is about ready to jump into the race for governor. He will be an independent candidate. Augusta political observers say he isn't likely to be a winner, but could influence the outcome of the general elections.

Longley was the principal advocate of the efficiency and cost saving recommendations drafted by a 32-man commission. Many of the major changes he and his colleagues proposed died in the special session of the Legislature. But Longley tackled the legislators, the bureaucrats and the educators with determination. For weeks, his name was heard regularly on the evening news and appeared daily in the newspapers. The Commission became popularly known as the "Longley Commission." While his lack of political savvy showed, so did his courage.

First, however, comes the Democratic and Republican primaries June 11. Six Democrats are on the ballot. Four men are seeking the Republican nomination. In Augusta, most people say reports from around state will show that Pete Kelley is leading the Democratic candidates with Jim Erwin well out front on the Republican side. (A soon to be released poll will show Harry Richardson gaining ground. The poll was taken on his behalf.)

If Erwin is again the nominee, there are many who say Longley could hurt him as an independent candidate. It is ironical that four years ago Erwin made the statement that millions could be trimmed from the expenses of state government. Challenged, the former Attorney General could not at that time document the savings. The issued backfired. Longley's commission did just that.
Voters also may have two other independents on the fall ballot: Stan Leen, a Brewer businessman, and the Rev. Frederick T. Whittaker, returning president of a Bangor theological center.

There is no lack of enthusiasm for political office in Maine.

**Truck Weights**

The talk of a statewide referendum aimed at repealing the truck weight law passed by the special session lost some of its political punch this week. The Maine Municipal Association's Executive Committee voted unanimously against getting involved. The MAA had polled all cities and towns. Spokesmen for a majority of the communities who responded opposed sending the issue to a vote.

It isn't a dead issue.

The Maine Automobile Association has voted to endorse the repeal effort. The Maine Central Railroad, Senator Linwood Graffam and the Gannett newspapers in Portland, Augusta and Waterville still favor the idea.

The new law, among other things, calls for a complete study of all regulations covering trucks on Maine highways. The new law is going to continue to face scrutiny.

**"Save the St. John"**

If Maine wants economic growth, it should use its forest lands to produce wood for industry -- not flood the forests to produce power for "Boston and New York air conditioners," the executive director of the Natural Resources Council said this week. Cliff Goodall said the trees on the land which would be flooded have the potential of contributing $14 million a year to the state's economy. He said the forest industries in Maine for the first time last year cut as much wood as grew.

While Goodall was speaking out in Augusta, Friends of the St. John were distributing New Englandwide a folder rallying support. (A copy is attached)

**Public Affairs**

We attended a testimonial in Augusta for Lawrence Stuart, retiring Director of the Bureau of Parks. Tom Dickens, a veteran staff member, is acting director and looks like Commissioner Koons' nominee for the full-time job.

A lease has been signed making Pittston Farm available for the summer of 1974 to youths who will take part in the High Adventure Program of the Boy Scouts of America.
PUBLIC RELATIONS

Questions from the Katahdin Journal were answered regarding an accident involving a GNP truck.

Material for the second quarter GNN report was drafted for Stamford. You have a copy.

With help from many other departments, we coordinate local planning for the annual meeting of the Great Northern Nekoosa Corporation.

A redraft of an article for the Northern Logger on the mechanical operation was completed with help from the Woodlands Department and sent to Stamford for coordination.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Enclosure

J. R. Adams  E. E. Allain
R. W. Currier  S. A. Casey
A. E. Dentremont  B. P. Ellen
P. I. Firlotte  R. Hellendale
D. G. Griffie  J. F. O'Handley
R. E. Gross  J. D. Perkins
T. W. Kelly  I. P. Phelps
T. M. Knight  E. M. Schwerin
V. F. Mattson  J. H. Staples
F. C. Morrison  A. J. Tozier
R. W. Noyes  R. P. Vivian
P. P. Paul  P. F. Yacavone
C. H. Reed
N. J. Richards  R. K. Elston-Ashdown
P. H. Welch  R. R. Johnson-Port Edwards
L. E. Hand  D. J. Krohn " "
T. S. Pinkham  G. E. Veneman " "
May 13, 1974

Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending May 13 follows:

**GREAT NORTHERN'S NEW MOVIE**

"A Few Good Men" the new Great Northern Paper Company movie, was shown at the May 7 stockholders' meeting in Millinocket.

The film has two objectives. One is to stimulate the interest of young people in logging as a career. The second is to acquaint the public with the changing times in the field.

It is now being shown in schools in northern Maine by the woodlands personnel and training department staffs. Students in Lincoln and Lee had words of praise for the movie. Other schools on the agenda included Milo, Dexter, Katahdin (Patten), Ashland, Fort Kent, St. Agatha, Northern Maine Vocational-Technical Institute, Island Falls, Houlton, Guilford, Greenville, Dover-Foxcroft, Millinocket and East Millinocket.

We are planning showings for state and local officials and other "opinion makers" in Aroostook County and in Augusta.

The movie was made by a four-man Maine team under the direction of Larry Ravitz of the Ted Barash Agency. It was filmed in Maine in November on locations in the West Branch region and in Aroostook County.

It is the first movie ever made by a paper company operating in Maine on the subject of logging as a career and will be available for general use following the Aroostook and Augusta showings.

**THE PUBLIC LOTS**

The State Department of Conservation is considering incorporating scattered public lots into a canoe-way and trailway in the northern sections of the Penobscot River watershed. The trail would start at Chesuncook and lead north through Baxter State Park.
The Public Lots (continued)

and down the East Branch. A study is planned this summer on the feasibility of the trail. This is the summer, too, when the Bureau of Outdoor Recreation of the U.S. Department of the Interior will be studying the Northern Penobscot for possible designation as a wild and scenic river under the federal system. A planning meeting on the project is scheduled next week in Philadelphia between federal and state officials.

**THE LOBBYISTS**

This week State House reporters for the Bangor and Portland newspapers wrote stories and columns on the filings by legislative agents. This was the first time lobbyists in Maine had to file reports covering salaries, expenses and areas of legislation in which they had an interest. The new disclosure law covered the special session.

While totals differed, approximately $300,000 was apparently paid over 100 lobbyists for the three-month special session.

Day found the paper industry "was by far the biggest spender in the effort to influence legislators" with a total of $60,000.

Great Northern figured in all the stories. Attorney Lynwood Hand's salaries and expenses were reported.

In a Saturday column, Day wrote:

"John Q. Public, by contrast, is prohibited from even entering the third story corridor outside Maine's legislative chambers to push for laws that might benefit him."

He was wrong. Anybody can talk to anybody on the third floor. When you get paid to talk to people on a client's behalf, you become a legislative agent and register.

The Bangor Daily News also added up Mr. Hand's annual retainer (clearly spelled out in the report) and expenses and reported this as "expenditures during the special session." Again the newspaper was incorrect.

The News' attitude on the subject was covered in an editorial cartoon linking lobby funds with a greased pig. Maine's legislature has been clean of scandal over the years. So has the lobby. Even advocacy reporters such as Day conceded that point in print last week. A lot of legislators are going to be irked with the press implying that they had been led around by high-priced attorneys.
Mr. Robert J. Shinnors
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending May 20, follows:

IP’S ANNOUNCEMENT...FIRST OF SEVERAL?

International Paper Company officials on May 14 announced plans for a $140 million expansion of its Androscoggin mill in Jay. While the IP spokesmen said the project is contingent on obtaining permits from environmental control agencies and two other factors (transportation and taxes), they hope to see the project completed by 1978. Paper production capacity at the mill would be boosted from 270,000 to 444,000 tons per year. The expansion will include a 306-inch white paper machine, a 265-inch carbonizing machine, a new power plant and also will involve modifications of the mill’s wood handling system and the pulp mill. (Details were included in the IP news release distributed to managers May 16.)

International became the second pulp and paper company operating in Maine to announce a major expansion. Scott earlier said it will build a $170 million pulp mill near Skowhegan.

The Bangor Daily News predicted May 14 a string of expansion announcements from paper companies operating in Maine. Fraser, St. Regis, Georgia-Pacific and Great Northern were mentioned.

Along with these, there will be stories on the start-up of stud mills by St. Regis, Georgia-Pacific and Diamond International. Expansion of the Pinkham Company saw mill in Aroostook is continuing. Georgia-Pacific is apparently planning a plywood mill in New Brunswick.

There is talk of Woodchip II in the Dover-Foxcroft area and Woodchip III in the northern tip of the state in which landowners and state agencies are considering the potential for new wood using industries.

Neighboring New Brunswick's provincial government is getting into the business of allocating wood from government-owned land in an attempt to gain better utilization.
Announcements (continued)

All this is taking place against a background of developments in Maine which seem to point toward demands for private owners to accelerate management.

The Bureau of Forestry of the State Department of Conservation took a look last winter at the drain anticipated from the state's forests as a result of the growing demand. It was the first time the state agency had ever conducted such a survey. In general, the state foresters found that growth and use would be on a par by 1985 if steps were not taken to improve the growth picture.

The special session of the Legislature approved a study of the state's forest industries. (Some elements of the industry favored the proposal.) The proposal died for lack of funding. The next Legislature is likely to get such a proposal.

At least one of the leading candidates for governor (Peter Kelley) has spoken out on the issue during the current campaign. He was critical of exports to Canada.

Environmentalists will hammer away at the need for every inch of forest land in attempting to block the Dickey-Lincoln proposal.

Both Richard Barringer, the director of the new Bureau of Public Lands, and Conservation Department Commissioner Donaldson Koons have been raising the question in speeches. Barringer, author of a land bank concept a couple of years ago, is promoting state ownership of woodlands (the public lots in particular) with a lease-back program to industry.

At a seminar last week in Augusta, the Natural Resources Council's Cliff Goodall differed with Barringer. Goodall said his group wants more intensive management of the forests and believes that industry has now reached the point in its profits picture where it can afford better management. He had earlier said, "The forest products industry is the backbone of the state's economy...The state needs to protect industry...The state needs to protect its resource." He went on to praise industry for getting into stud mills as "an indication of better management and utilization of the resource."

"A Few Good Men" --- New GNP Film

With guidance from the Pinkham Lumber Company staff, we are preparing to stage an open house and a showing of the new Company film June 3 at Ashland. Legislators, community leaders, and the press will be invited. A similar showing is also planned in Augusta.

Showings in schools by the woodlands personnel department and training department have been completed. Young people liked the film.
TRUCK WEIGHTS

The move to repeal the truck weight law gained new life this week. Maine Central Railroad and Bangor & Aroostook Railroad employees have been identified as collecting signatures, distributing petition forms, and helping organize the effort. The law was enacted during the special session. The Maine Municipal Association considered and dropped plans to seek a statewide vote.

PUBLIC RELATIONS

A news release covering recreational use of the GNP road network in the West Branch region was distributed to radio stations and newspapers serving people in central and northern Maine. The emphasis in the release was on road safety. We'll try to avoid promoting use of the company-maintained road system this year although we will continue to remind the people of Maine that GNP timberlands are open for their use. With help from the Barash Agency, we prepared an ad on the subject for the Katahdin Journal.

PUBLIC AFFAIRS

A donation was made to the Millinocket Community Hospital Auxiliary in connection with the group's annual charity ball.

A contribution was also made to the American Cancer Society-Maine Division.

We arranged for attorneys representing GNP in the public lots litigation to inspect company land records.

Prior to the opening of the checkpoints, we talked with the attendants---acquainting them with the new road guide soon to be printed and urging them to push the road safety campaign with all users.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

This week we heard some good news regarding taxes. This forecast and other events of the week follow in the Public Affairs newsletter:

**THE TAX OUTLOOK**

Thanks to the inflationary trend in the economy, state government income continues to exceed forecasts.

And if we do not see a new Governor elected with ambitious plans for new programs, two of the men best acquainted with state finances believe no taxes will be needed in 1975 when the Legislature returns to Augusta.

Joe Sewall, chairman of the legislative finance committee, and Bill Garside, legislative finance officer, both voiced this opinion May 23 when they met with the Tax Committee of Associated Industries of Maine. They surprised members of the Committee. Some people have been projecting a deficit of $50-60 million for the 1975-76 biennium.

The state's general fund budget (not including highways and other dedicated revenues) for the fiscal year ending June 30 was approximately $250 million. In the first ten months revenue was 3.3 million ahead of estimates.

Except for emergencies, the state departments must live within their budgets. Few major changes are made once the operating budgets are approved. One was made to provide departments with $3 million more to pay their oil bills. But this has been more than offset by the added tax revenues picked up as a result of the jump in oil prices for all consumers.

Garside said the Higher Education Study Commission headed by Judge Frank Coffin in 1972 published revenue projections which seem to be keeping pace with the trend.
The table follows:

**Estimated Tax Revenues-Inflated: 1971/72-1980/81**

<table>
<thead>
<tr>
<th>Yearly Period</th>
<th>Projected Total Revenue Un-Inflated (Millions)</th>
<th>Inflation Rate</th>
<th>Projected Total Revenue Inflated (Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971/72</td>
<td>$206.7</td>
<td>6.0%</td>
<td>$219.1</td>
</tr>
<tr>
<td>1972/73</td>
<td>$233.8</td>
<td>5.5%</td>
<td>$246.7</td>
</tr>
<tr>
<td>1973/74</td>
<td>$263.2</td>
<td>5.0%</td>
<td>$276.4</td>
</tr>
<tr>
<td>1974/75</td>
<td>$294.9</td>
<td>4.5%</td>
<td>$308.2</td>
</tr>
<tr>
<td>1975/76</td>
<td>$328.8</td>
<td>4.0%</td>
<td>$342.0</td>
</tr>
<tr>
<td>1976/77</td>
<td>$364.9</td>
<td>3.5%</td>
<td>$377.7</td>
</tr>
<tr>
<td>1977/78</td>
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<td>3.0%</td>
<td>$415.1</td>
</tr>
<tr>
<td>1978/79</td>
<td>$442.9</td>
<td>2.5%</td>
<td>$454.0</td>
</tr>
<tr>
<td>1980/81</td>
<td>$484.4</td>
<td>2.0%</td>
<td>$494.1</td>
</tr>
</tbody>
</table>

From the give and take of the discussion came these observations from Garside and Sewall (who looks like the leading candidate for president of the Senate in the next session):

The State Department of Transportation is having serious financial troubles...while overall revenues are slightly ahead of estimates, inflation is curbing the construction and maintenance programs.... In the long run, if Maine's problem is also shared with others, the solution may come with the federal government dropping strings on matching funds.

There is considerable confusion over elimination of the inventory tax...but funds have been provided so that no town or city will lose money.

Both feel there are built-in safeguards to prevent the cost of equalizing school spending from getting out of hand. If moves to change the formula are successful, it could require new taxes to finance a larger state contribution. The wealthy communities are complaining about this law. The cost of the present program can be absorbed within projected revenues.

If savings have been made as a result of the 'Longley' Commission study, they are "not appreciable or we just can't find them."

Income from the corporate income tax is running ahead of estimates.

The last "bad tax" on the books is the remaining tax on machinery. Money couldn't be found in the special session to offset the tax loss. It should be repealed.
"We wouldn't know where to look for a major new tax source... the bureaucrats have got to cut cloth to fit the pattern from now on." Most people feel the only slim possibility is the raising of the personal income tax and the politics of getting this approved would present some real problems. The sales tax (5 per cent) isn't a possibility.

If all the "ifs" fall into place, taxes may be one issue which will not be a challenge for the next Legislature.

**Conservation Department**

We discussed the upcoming state and federal studies of the West Branch region with State Conservation Commissioner Donaldson Koons.

He is planning a series of field trips and will be a guest of Great Northern during the summer on one of the trips.

The Bureau of Forestry is planning a conference to try to pull together a center of information on all forestry and logging education programs. GNP will be invited to participate.

**Public Relations**

An advertisement was published in the Katahdin Journal urging safety on the GNP road system in the West Branch region.

Portions of a GNP release on public use of timberlands were used by Bangor Daily News Outdoor Editor Bud Leavitt in his column.

Stories on the appointments of district superintendents in the woodlands department appeared in several newspapers.

We distributed releases on mill tours, appointment of Ed Schwerin and copies of the GNN annual meeting report.

Copies of the latest Northern Corner were mailed to truckers, logging contractors and others on this mailing list.

An article on the main West Branch haul road appeared in Down East Magazine based on information we provided.

Information on mill tours was provided the Paper Industry Information Office for distribution.

With Henry Deabay, we registered for the AIM Seminar on Workmen's Compensation in Augusta, May 28.

We distributed to managers at the suggestion of Sam Casey a research report on the paper industry dealing with stockmarket prices.
PUBLIC AFFAIRS

Another edition of The Northern Corner was published.

Copies of the pulp and paper merit badge booklet with a GNP "Pulpwood Pete" kit were mailed to 28 Scoutmasters. They had requested copies during the Scout show at Bangor where Millinocket troops had a booth built around the new badge.

With C. L. Nelson, West Branch District Superintendent, we visited GNP checkpoints and the Seboomook Campground to meet with a prospective operator.

With Nelson and L. W. Hazelton, we met with members of the Fin & Feather Club. The club members are concerned over the ban on ATV's on company lands and the increasing numbers of visitors crowding local people out of popular areas.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Distribution:

J. R. Adams  E. E. Allain
R. W. Currier  S. A. Casey
A. E. Dentremont  B. P. Ellen
P. I. Firlotte  R. Helendale
R. E. Gross  J. F. O'Handley
T. W. Kelly  J. D. Perkins
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C. H. Reed
N. J. Richards  R. K. Elston-Ashdown
P. H. Welch  R. R. Johnson-Port Edwards
L. E. Hand  D. J. Krohn  "  "
T. S. Pinkham  G. E. Veneman  "  "

pmc/b
Enclosure
A Great Time Was Had By All -- Nearly 500 persons attended the 19th annual banquet for retirees held May 30 at St. Martin's parish hall in Millinocket. R. E. "Rod" Farnham was the guest speaker. The retired woodlands personnel supervisor told the retirees that "our lives are richer" for the experience of having worked for GNP and that the company continues to be "a great place for your sons and daughters to work." Farnham traced the company's history and told of men who have contributed to its growth. Robert J. Shinners, vice president-northern division, reported on the company's 1973 activities and on plans for the future. E. M. Schwerin, GNN director of industrial relations, brought greetings from President Sam Casey and Executive Vice President Robert Hellendale. Keith Lowry and his son furnished dinner music. Following the banquet, Gaston Lacasse of St. George, P.Q., furnished violin music—old-time jigs and reels. A good time was had by all as Photographer Roger Boynton's photographs show on the back page of this week's Northern Corner.

Tours -- Guided tours of the Millinocket and East Millinocket mills will again be offered during the months of June, July and August. Last summer nearly 2,000 persons visited the two mills. Information on tours is available from the personnel offices of the mills.

Gift -- Great Northern has donated 38.9 acres of land to the Town of Millinocket for a new recreation complex and expansion of the new high school. Townsite Manager Fred Morrison presented the deed May 21 to Robert Pelletier, assistant superintendent of schools, and David Joudry, director of recreation. The parcel of land is located from the State Street bridge, running parallel to Millinocket Stream, to the present ski tow area, extending to the Hillcrest Golf Club. The company down through the years has donated land for schools, municipal buildings, cemeteries and other municipal facilities.

Safety Tips For Your Vacation -- Looking forward to your vacation? R. L. "Rollie" Russell, Millinocket mill safety supervisor, has some safety suggestions for you to include in your planning. Before you rush off, remember that accidents do not take a vacation during the summer months. Statistics show that accidents during the months of June, July and August kill more than 30,000 people and hundreds of thousands are injured each year. He offers ten safety tips to help you enjoy your vacation: 1) Safety check your car; 2) Check your trailer; 3) Plan your route; 4) Wear your seat belt; 5) Refrain from the use of alcoholic beverages if you are driving a vehicle; 6) Learn to swim; 7) Know your boat; 8) Beware of sunburn; 9) Watch out for fish hooks and 10) Finally, watch out for "flying golf balls." Rollie's final words: "Happy safe holiday!"

Open House -- Over 100 persons toured the Pinkham Lumber Company facilities in Ashland, June 3, and later in the day saw the new Great Northern film "A Few Good Men." Aroostook legislators, municipal officials, educators, businessmen and governmental officials were included in the group. They saw the new softwood mill under construction.

Summer Hours -- The finance department went on a summer work schedule June 3 which will run through September 15. Office hours will be from 7:30 a.m. to 4 p.m. with a half hour for lunch from noon to 12:30. In the Engineering & Research building, as well as Woodlands and Purchases, most offices will run from 7:30 to 4:30 with an hour off for lunch. Exceptions will be made where services to other departments and the public are required.
Scenes From The Retirees' Banquet
June 7, 1974

Mr. Robert J. Shinners  
Vice President - Northern Division  
Great Northern Paper Company  
Millinocket, Maine 04462

Dear Bob:

The Public Affairs newsletter for the week ending June 7, follows:

**PINKHAM OPEN HOUSE**

Nearly 100 businessmen, educators, newsmen and federal, state and local government representatives toured the Pinkham Lumber Company facilities June 3 and saw the new Great Northern Paper Company movie, "A Few Good Men."

It was an information afternoon and evening in the opinion of many of those who attended. Response to the film was encouraging.

Tours of the Pinkham mill and a visit to the new plant in the afternoon were followed by a dinner at the Ashland VFW Hall and the film showing. General Manager, Tom Pinkham, introduced Woodlands Manager, Ralph Currier, and others from the GNP and Pinkham staffs who had joined in welcoming guests.

Tom thanked all those who supported his organization's efforts down through the years, traced the company's growth and said, "what we have today is just a stepping stone to what is going to happen in the future."

While the press turn out was small, the publicity resulting from the open house included an all-editions story (attached) which appeared on the front page of the second section of the Bangor Daily News. Radio tapes were distributed in advance to all stations in Aroostook County (excerpts from the movie with Pinkham's voice). We have heard reports of use by stations in Madawaska, Presque Isle, Caribou and Houlton. A film clip with sound from the movie was used on WAGM-TV, Presque Isle, and News Director, John Logan, has indicated he plans to use the entire film in prime time in the near future. Educators and others (including representatives of the Maine Department of Manpower who administer the bonded labor program) praised the movie as a constructive approach to the problem of getting Americans into the woods.
ELECTION DAY - JUNE 11

Voters go to the polls Tuesday to select Democratic and Republican nominees for Governor.

Who will they be?

Jim Erwin seems to be the man most people see as the GOP winner. Politicians in some sections (including Aroostook) say Harry Richardson will give him a fight particularly if Wakine Tanous is gaining strength and cuts into the Erwin vote.

On the Democratic side, observers give three men a chance to win. George Mitchell, they say, is pulling away as the race goes to the wire. Peter Kelley, the best known after the public power fight in which he was a leader, still is given a chance. Joe Brennan has many supporters and is strong in southern Maine as well as in some of the industrial communities such as Millinocket.

Despite the fact that all candidates are having fund-raising difficulties, the final days of the campaign see the schedules of television and radio stations crowded with political advertising.

Last week we reported Erwin declined to answer a Maine Times question regarding his attitude on the public lots issue. Bob Cummings reported in the Portland newspapers the results of a poll by Phyllis Austin conducted for public television station WCBB. Erwin this time answered, saying he favored legislative action to permit the state to regain timber and grass rights. That makes it 6 to 3 on the scoreboard with only Tanous and Stanley Sproul, an Augusta Republican, and Jack Smith, the virtually unknown Portland Democrat, opposed.

On election day, voters will also decide on a $4 million bond issue providing funds to the State Department of Inland Fisheries and Game for land acquisition. It will have an impact on management of the state's forest lands, although in the spring issue of Maine Fish and Game, an editorial commented, "it may not be necessary to acquire deer wintering areas in the unorganized portions of Maine. We believe the conservation of these areas will be adequately provided for by the Land Use Regulation Commission's "Protection subdistricts" and by further cooperation between the Department and major landowners."

THE PAPER INDUSTRY INFORMATION OFFICE

The confidential memo leaked to the Bangor Daily News on the subject of truck weights resulted in a rash of editorials in newspapers and on television in southern Maine. The phrase, "the pulp-paper industry has an uncanny knack for stomping on people's sensibilities" sums up the tone of the criticism leveled at the Office. Executive Secretary, Hank Magnuson, went on WGAN-TV in Portland to explain the Office involvement in rebuttal to a call for an investigation.
Scott Breaks Ground For Skowhegan Plant

By FRANK SLEEPER
Staff Reporter

SKOWHEGAN — They broke ground Wednesday on a grassy hillside under a breviting sun for the $170-million Somerset Plant of Scott Paper Co.

Earth on the 800-acre site of the plant has been moved for about two months. The curved access road has been put in, some anti-pollution basins have been installed and the work for some drainage has been completed.

But all that is preparation for major construction which actually started Tuesday. The plant should be operating on or before Oct. 1, 1976.

It was a different sort of groundbreaking. Nine men planted nine small spruce trees. They were local, state and Scott officials.

The new Somerset Mill, located in both Skowhegan and Fairfield, will replace the Scott pulp mill at Winslow. It will allow Scott to increase its daily pulp output in Central Maine from 450 to 750 tons.

SCOTT HAS gone far to make the mill both environmentally suitable, drastically reducing its air and effluent discharge compared to the Winslow pulp mill and aesthetically tied into the rural countryside.

Arthur J. (Ben) Haug, Scott Division vice president, pointed out the 800 acres of land was 68 per cent trees and 29 per cent open space when Scott came there. "and we're making a great effort to protect all the trees possible."

After bus tours of the site and the groundbreaking, the group returned to the Village Candlelight Restaurant for "a million-dollar-a-plate" dinner.

Charles D. Dickey Jr., Scott board chairman and president, coined the term. "There are about 170 of you here and the mill costs $170 million. This is the most expensive meal any of you will ever have," Dickey said.

The new mill is the largest single investment ever made by Scott Paper anywhere in the world. Maine and Pennsylvania (where Scott has its headquarters) are the states where Scott has its largest number of employees, he noted.

SCOTT NOW has more than 4,000 employees in Maine, had a $43 million payroll here last year and has total expenditures in this state of about $100 million a year or $300,000 a day.

Dickey said Scott invested $37 million in Maine during the past five years for modernization of its plants and woodpulp operations, including $7 million for environmental improvement systems at its mills in Winslow and Westbrook. The company now has air and water quality improvement projects under way which will cost another $1.5 million, exclusive of the new Somerset mill.

The Scott president said that long, real study of a great number of alternatives were made before the new mill was decided upon. "If we hadn't had 390,000 acres of timberland in Maine, this new mill wouldn't have been built here." he pointed out.

Scott found that Maine did

Turn to Back Page
of this Section

Scott Breaks Ground For New Plant
(Continued from Page One)

want new industry during that study. And it found that the business climate in this state meant it would be treated fairly and squarely, Dickey said.

SCOTT MADE its decision to build the big mill here and Dickey called what has resulted "awesome".

Gov. Kenneth M. Curtis called the event the "most significant groundbreaking I've ever attended in this state."

"It opens what I believe will be a new era of prosperity for the pulp and paper industry in Maine," the governor added.

A $40,000,000 expansion is scheduled for the next three years and there are rumors that other large projects will be announced shortly.

While there'll be a couple of thousand construction workers employed on the project, only about 700 will be added in permanent employment at the new mill.

That mill will supply all the pulp requirements of Scott's Winslow mill and some of those at the firm's S. D. Warren Division mill in Westbrook.

There'll be a 64-million-board-foot a year dimension lumber mill at the site. part of the stepped up use of Maine wood which many of the pulp and paper companies in this state have undertaken.

Scott hopes the Maine Central line from Shawmut to the new plant site will be in operation by mid-July and that two miles of the six of railroad on the site itself will be usable by fall.

The line on the site will be re-laid after it is purchased from other sources than the Maine Central.
Pollution Abatement -- The clarifier (photograph below) in which most of the waste from the East Millinocket mill effluent will be removed is under construction. Delayed by a shortage of materials, a 36-man construction team from Northeast Constructors is scheduled to complete the project this winter. The "bowl" passersby can view from the highway is 220 feet in diameter. The $3.5 million project was financed by Great Northern with the sale of tax-free bonds approved by East Millinocket voters. A similar clarifier providing primary treatment for the waste from the Millinocket mill went into operation late in 1972. The company is at this time asking for approval from the State Department of Environmental Protection for the 65-acre site for secondary treatment facilities planned at Millinocket. A secondary plant for East Millinocket is also planned. Staff members of the DEP were briefed recently in Millinocket on the Company's pollution abatement programs covering the primary and secondary systems and also on the log-pond close up, bark ash handling and sulfite liquor recovery. The U.S. paper industry is now spending approximately $400 million dollars a year on projects designed to improve water and air quality, according to estimates by Pulp & Paper magazine, or one out of three dollars earmarked for capital spending.

Pulp & Paper Institute -- Five employees attended the 15th annual Pulp & Paper Institute, June 7-14, at the University of Maine in Orono. They were Angelo P. Manzo, a Millinocket foreman, Michael J. Cuddy and Clifford Daigle from Research, and Nicholas Delmonaco and Paul J. McDonnell from Central Engineering. President Sam Casey, E. Bart Harvey of Woodlands, and Warren Richardson, assistant paper mill superintendent at Millinocket, were speakers during the sessions.

Biggest Landlocked Salmon! -- The biggest landlocked salmon caught in Maine in 1973 was caught by a retired Great Northern employee. Alvan H. Gallant, a former oiler in the East Millinocket mill, took the nine pound-four ounce fish (32 inches long) from the West Branch June 17 of last year. The records of "The One That Didn't Get Away Club," published in the Maine Fish and Game Magazine, show that the second biggest fish in that category (eight pound-eight ounces) was also taken from the Penobscot near Millinocket by a North Whitefield angler.

Final Millinocket Retirement -- Kenneth Cunningham will retire June 30 after working for the Company for 20 years. He is an assistant beater engineer. Cunningham lives at 1 County Street in East Millinocket.
Protect Your Hands -- There is a glove for every job. Use the right type for the job you are doing. Over 50 percent of the accidents reported to the Millinocket mill first aid department involve the hands and fingers. Cloth protects hands in general shopwear from dirt, chafing, abrasions, wood slivers and low heat. Asbestos or aluminized are heat-resistant to protect against sparks, flames and heat. Leather guards against sparks, chips, rough material and moderate heat. Rubber protects against acids and some chemical burns. Plastic protects from chemicals and corrosives. The neoprene and cork-dipped gives better grip on slippery or oily jobs. Safety Supervisor R. L. "Rollie" Russell says it is also wise to check gloves for cracks and holes.

Telephone Numbers -- On your telephone cards, make the following changes if you want to stay up to date. Millinocket: Bartlett, R. F. Ext. 561...Michaud, L. Neal Ext. 462...Lombard, O. J. Ext. 441/442...Dahms, T. L. Ext. 525.

Appointments And New Faces -- Carl I. Boutsaho and Harold R. Davis have been named tour foremen in the paper room of the Millinocket mill. Davis has been employed in the paper room since he joined the company in 1953 as a fifth-hand. He has been working as a fill-in boss machine tender. Boutsaho has been with the company for 19 years and also moves up to foreman from working as a fill-in boss machine tender. Boutsaho is a graduate of the apprentice training program...Robert K. Crocker is a new area foreman in the plant engineering department of the East Millinocket mill. He joined GNP in 1955 and has progressed in the maintenance department to become a master journeyman prior to his promotion....Terry L. Dahms has joined the accounting department as a business systems analyst. He holds a B.S. degree in accounting and a M.S. degree in Business Administration from Northwest Missouri State University. He formerly was a cost supervisor with the Mead Corporation in New Jersey....Three men have joined the Central Engineering Department. Eldon L. Doody, is an engineer, Peter L. Hutchins a junior engineer and Blaine A. Page an associate engineer. Doody holds a B.S. in mechanical engineering from the University of Maine. He completed the five-year pulp and paper program. Doody was previously employed by Firestone Tire & Rubber Company in Pennsylvania. Hutchins is a June graduate of the University of Maine with a B.S. degree in mechanical engineering. Page was a June graduate of Wentworth Institute with an associate degree in civil engineering....Benjamin J. McLaughlin joined the plant engineering department in East Millinocket as an area engineer. He graduated from the University of Maine in June with a degree in mechanical engineering.

Complaints We Like To Hear! -- A. W. "Art" Reynolds, sales manager for Pinkham Lumber Company, got one recently. A wholesaler told him a customer complained that the Pinkham pine he bought was so smooth the paint ran off.

Visitors -- Eleven co-op students who have completed their sophomore year in chemical engineering at the University of Maine in Orono, June 5 visited the Millinocket mill, the Engineering & Research Building and the pollution abatement plant. The co-op students spend every other semester on a job in industry.

Meet The GNP Guides -- When visitors tour the East Millinocket and Millinocket mills this summer, they will be guided by two University of Maine students. Susan Beaumont, left, is the daughter of Mr. and Mrs. Del Beaumont, Maple Street, East Millinocket, and will welcome visitors to the East Millinocket mill. In Millinocket, Sandra Gallo, daughter of Mr. and Mrs. Michael Gallo, Westwood Avenue, will host the tours. Susan will be a junior at Orono in the fall, Sandra a sophomore. The mill tours offer visitors in the region an opportunity weekdays during the months of June, July and August to see paper made in the two mills. Questions regarding tours can be answered by the personnel departments of the two mills. Last year nearly 2,000 persons visited the plants during the summer months.
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:

The Public Affairs newsletter for the week ending June 14, follows:

THE MAINE VOTE

This week voters went to the polls to nominate Democratic and Republican candidates for Governor, Congress, the Legislature and county offices. Most of the interest centered on the races for the gubernatorial nominations. Six Democrats were running; four Republicans. The Democrats picked a man. It may be several weeks before we know for sure who his Republican opponent will be in November.

George Mitchell, a Portland attorney and former member of Senator Muskie's staff, was the choice of Democrats with 33,136 votes with Joe Brennan (22,913), Peter Kelley (21,296), Lloyd LaFountain (7,850), Aaron Levine (1,543), and Jack Smith (1,169) trailing in that order. Mitchell is bright and able. While he joined all the others in calling for new job opportunities in Maine, Mitchell also proposes creating a land bank and the state reclaiming the timber and grass rights on public lots.

The Republican race was almost a dead-heat. Jim Erwin is the unofficial leader with 37,833 votes --- 1,170 in front of Harry Richardson (36,663). Wakine Tanous was third with 18,775. Augusta Mayor Stan Sproul got 3,699 votes. Richardson is asking for an inspection of ballots, the first step leading to a recount. Some party leaders are trying to get him to accept an informal party canvass instead to step matters up. He wasn't buying the idea this week. The unofficial vote totals are compiled by a pool financed by the news media. Mistakes have been made. While we have had several inspections or recounts in recent years, the outcome of a major race has never been changed. And recounts drag on for weeks.

Looking ahead, political observers in Augusta this week were saying Erwin has major problems. The recount is one. Down the road, Jim Longley is another. The former chairman of the efficiency study of state government is going to be the strongest independent candidate for governor in years. Few think he looks like a winner.
Vote (continued)

Many say Longley could be a spoiler. They cite the example of what happened to Erwin in the primary when the able and popular Tanous cut deeply into the conservative vote.

Observers were also talking about.....

--- Senate President Kenneth MacLeod's failure to win renomination. He was upset by Ted Curtis, an Orono legislator and attorney;

--- The overwhelmingly approval of the bond issue to provide the state with funds for buying fish and wildlife habitant;

--- Gibbs Oil winning by a 3-1 margin in Sanford rezoning vote to provide land for a refinery;

--- Skowhegan voters approved municipal bonds for the Scott pulp mill;

--- Former Vietnam war prisoner Mark Gartley capturing the Democratic nomination to oppose Congressman Bill Cohen;

--- Peter Kyros turning up a big winner despite a stiff challenge from Nadine O'Brien. He will be opposed by David Emery in the fall. The young Rockland Republican was not opposed.

School Costs

According to the State Department of Education and Cultural Services, 213 municipalities have reported decreases in their local 1974 appropriations for school purposes, compared to 1973, as a result of the new state subsidy formula.

At the same time, 170 municipalities report increased local school appropriations---most of them because they must pay a portion of their uniform school property tax into the State Treasury to help pay for schooling costs in other municipalities.

Among those communities hit for higher school taxes (amount of their increases in parentheses) are the following:

Waterville ($467,684), Bucksport ($240,552), Westbrook ($225,050), Rumford ($217,625), Millinocket ($208,049), Madawaska ($170,500), Baileyville ($125,996), Old Town ($16,165).

Reported reductions in local school appropriations included the following:

Madison (SAD #59) $16,919; Topsham (SAD #75) $77,852; Winslow $78,347; Livermore Falls $124,312.---Paper Industry Information Office.
PUBLIC RELATIONS

Photographs of the Pinkham expansion and of GNP mechanical harvesting equipment were provided the Paper Industry Information Office to illustrate a story for the State of Maine edition of the Portland newspapers.

A picture and caption of the summer tour guides was distributed to the Bangor Daily News and weekly newspapers in this region.

A story covering a promotion was sent to the Katahdin Journal, Bangor Daily News and passed along to Stamford for distribution to trade magazines and newspapers.

Arrangements were made to have M. M. "Mike" Collins of the Pinkham Company appear on television on WAGM in Presque Isle to introduce the Great Northern movie "A Few Good Men." The interview and the film were scheduled to be seen at 6 p.m., Sunday, June 23. Earlier in the week he showed the film at a meeting of the Caribou Rotary Club with "real good results" according to Collins.

An advertisement calling attention to the mill tours available to the public and also urging safety on logging roads was placed in the Katahdin Tourist Guide, a new publication of the Journal.

Great Northern co-sponsored with other area businesses a three-hour program on which graduates of high schools in the Millinocket, East Millinocket and Patten areas appeared.

We handled questions from the Bangor Daily News (referring them to the Bangor & Aroostook) on a report of a derailment and on an accident in the Millinocket mill (they decided against using it).

PUBLIC AFFAIRS

A donation was made to the Millinocket Art Society.

We visited the offices of the State Department of Environmental Protection to check on progress in their review of the site location application covering the secondary treatment plant location in Millinocket.

We obtained information on the sales and use tax exemption covering pollution abatement equipment from the Bureau of Taxation in Augusta and Associated Industries of Maine.

Sincerely,

Paul K. McCann
Manager-Public Affairs
Distribution:

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Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:

The Public Affairs Newsletter for the week ending June 28:

**HASKELL QUITS WITH A BLAST AT KOONS**

James S. Haskell, 35, the executive director of the Maine Land Use Regulation Commission, has resigned. He quit with a blast at Conservation Commissioner Donaldson Koons. In a letter to Governor Curtis, he charged Koons with playing politics instead of following the intent of the LURC law. The Governor told him to direct his complaints to the Commission which Koons heads as chairman.

Bob Cummings, the Portland Press Herald environmental reporter, called Haskell "the man who has fought the longest and the hardest to keep Maine's 10 million acres of wildlands wild."

In an editorial, the Bangor News said he was "a professional and principled state servant whose fight and steadfastness was precisely what was needed in a regulatory bureaucracy that tends too often to be led by the nose -- tamed by the very elements it 'regulates.'...there was never any real potential for Haskell's personal strength inflicting serious harm upon the timber interest which was both his adversary and his ally....we feel certain that Dr. Koon's gain is the state's loss."

The resignation came as Governor Curtis openly criticized LURC for dragging its feet on the Bigelow Mountain issue. Conservationists want to see the area preserved as a park. Flagstaff Mountain Corporation wants to make it a four-season development. But the Corporation said it would sell out to the State--if it could get an offer from the State. Curtis thinks LURC should approve or disapprove the Flagstaff proposal. The Commission said it must first complete its over-all planning effort. (In this debate, Haskell is in favor of the development; Koons opposed.) Now the Governor has a chance to shake up the Commission. Changes in the Commission law by the Legislature require him to reappoint the entire membership. He has informally advised the Executive Council he plans to reappoint only Myles Smith, the Dover-Foxcroft forester, landowner and pulpwood buyer. He'll post new faces in the other seats. A new 32-member advisory board has also been named by Koons. L. W. Hazelton of Great Northern has accepted appointment.
Haskell leaves LURC in a time of controversy. It is the third state agency he has worked for in the past several years. He left the State Park & Recreation Department after starting work on a statewide outdoor recreation plan. He left the Department of Environmental Protection during the difficult times associated with implementing the site selection law. He is likely to remain an outspoken figure on the Maine scene for years to come. He is popular with the press and conservationists. Haskell has courage. Since college days he has been bound and determined that planning must guide the destiny of Maine --- the type of planning in which resource protection gets top priority. Some people will not be surprised if he withdraws his resignation --- if he can.

Penobscot River Study

The Penobscot River will be studied by state and federal officials for possible inclusion in the national wild and scenic river systems. They will canoe the West Branch and the East Branch. Information meetings will be held July 10 in Bangor and July 11 in Millinocket.

Congressman Peter Kyros is planning to participate.

This Company's future is linked to its ability to harvest timber in the watershed. Expansion of the GNP hydro-electric system is under consideration in these days of high energy costs. If portions of the river are designated wild, scenic or recreational (the three possible categories in the federal system), the Company's options could be narrowed. The Company is planning to help those participating in the study and try and get across the fact that the river is a vital economic lifeline for GNP.

St. Regis Makes It Official

There have been rumors of expansion plans for the St. Regis plant at Bucksport. The $86 million project was front page news June 27 in Maine newspapers. A new paper machine is planned to produce 165,000 tons annually of lightweight coated printing papers. A thermo-mechanical refiner groundwood pulping system will be added. The annual output of the mill will be boosted to 420,000 tons a year when the expansion is completed in late 1976.

Frank Sleeper, the business reporter for the Portland newspapers, took a look at the industry this week and asked a question others are asking in Maine: "What about all the other wood products mills possible?"
REPORT SUGGEST DISCOURAGING CAMPERS

A study of the state's tourist industry announced June 26 suggested discouraging out of state campers from coming to Maine and urged more second home development in the State. The report recommended a development agency to promote investment in second home communities primarily inland and on lakes. Representative Larry Simpson, chairman of the study and House Majority Leader, said in answer to a question that he knows some of the paper companies are waiting for encouragement to go ahead with large developments such as advocated in the study.

THE TRUCK WEIGHT LAW (. CONTINUED)

Opponents of the truck weight law June 27 filed petitions they said contained 40,100 signatures calling for a statewide referendum on the issue in November. They needed 32,000. The law has become a center of controversy with opponents citing defect after defect in the drafting. Proponents, mainly pulp truckers, have said it is a law which can work with modern equipment and new safety measures. Prediction: Most people think it will go down to defeat in a statewide vote. This week the executive secretary of the Paper Industry Information Office again got involved in the controversy. He challenged the publisher of the Portland newspapers for misleading the public in stories and editorials.

BOARD OF ENVIRONMENTAL PROTECTION

Governor Curtis is apparently planning to name two new members to the Board of Environmental Protection. He will leave the seats now held by Donaldson Koons and Orlando Delogu to be filled after the decision on the Pittston refinery application. The names he circulated for comment were those of a former Dead River Company official, Harold Hill of Bangor, and Geoffrey Faux, a community development specialist from Whitefield. Faux's appointment ran into considerable opposition and may be withdrawn. He is branded an extreme preservationist by opponents.

PUBLIC RELATIONS

We guided Dennis O'Brien, the editor of the Millinocket newspaper, on a tour of the West Branch region. He had never been west of Millinocket. The tour included the main haul road, the Telos operation and other points.

We provided Forbes magazine with data on GNP land holdings in Maine.

Questions from the Bangor News, WMKR and the Katahdin Journal on labor negotiations were answered with "no comment" reflecting company policy.
The new film, "A Few Good Men" was shown on WAGM television in Presque Isle which serves all of Aroostook County. It was broadcast Sunday, June 23, at 7 p.m....prime time made available at no cost. Mike Collins of Pinkham Lumber Company, who has been active in woods training programs in the county, introduced the film.

We helped Bart Harvey and Dick Morrison of Woodlands in planning a GNP entry in the 4th of July parade. It will feature "Logging: Past and Present" with five segments: a float with men cutting wood with bucksaws and a chain saw...a mechanical harvester...a de-limber...a skidder...and a truck with tree-length wood. The idea was that of Fred Morrison.

A story and a caption on the primary treatment construction at East Millinocket was provided in answer to a question from the Bangor News.

Questions from Jerry Hartegy of the Associated Press in Portland concerning the future plans of Great Northern in Maine were answered. He was considering doing a roundup on the expansion underway by the industry in the wake of the St. Regis, International and Scott announcements of new mills and new paper machines. We confirmed we had a study of a kraft mill underway.

PUBLIC AFFAIRS

A donation to Katahdin Council, Boy Scouts of America, was approved.

A donation to the Millinocket Elks was approved. It will cover the cost of tickets for needy children for the circus coming to town.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure
June 21, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine 04462

Dear Bob:

The Public Affairs newsletter follows:

POLITICS...NOW A LULL

Harry Richardson, who finished 1,200 votes behind Jim Erwin in the race for the Republican gubernatorial nomination, gave up this week. He abandoned plans for seeking a recount. A lot of Republicans were happy. A recount would have required several weeks and left the party without an official candidate. Erwin is regrouping in the lull between the primary and the start of the winner-take-all contest.

SCOTT BREAKS GROUND

State government leaders joined officials of Scott Paper Company for groundbreaking ceremonies June 19 at the site of Scott's new pulp mill near Skowhegan. Governor Curtis called the event the "most significant groundbreaking I've ever attended in this state....it opens up what I believe will be a new era of prosperity for the pulp and paper industry in Maine." (Clipping attached)

FOREST INDUSTRIES MEETING

Members of the Forest Industries Council New England Region Communications Committee met June 20 in Bangor. John Sinclair, president of Seven Islands Land Company, is chairman. The thirteen members who attended suggested that the national press tour September 22-24 be centered around Portland on tree farms and in the diversified lumber mills of the area. It has traditionally included only visits to the woods of northern Maine and manufacturing facilities in the region.

AIM ENDORSEMENT

Fred A. Clough, Jr., president of Associated Industries of Maine, has endorsed Rudolph (Rudy) T. Greep of Raymond for nomination to the Board of Environmental Protection. He is a retired vice president of S.D. Warren Company. If approved, he will fill a vacancy created by the resignation of P. Andrews
AIM (continued)

Nixon, president of Dead River Company. The Governor has three or four (depending on his decision on the status of Conservation Commissioner Donaldson Koons) to make to the BEP. He also has seats on the Land Use Regulation Commission to fill as a result of the special session eliminating the three state officials as members.

**Truck Weights: Vote in the Fall?**

If opponents of the new truck weights law are going to force a referendum on the issue, they must file 32,450 petitions by June 28. At week's end they said they were 8,000 short and running into opposition from truckers in their efforts to obtain sufficient support. The Bangor Daily News has joined the Portland newspapers in supporting a referendum, labeling the law a product of "old-fashion" politics. It looks like opponents will force a vote and if the issue goes to referendum the law may well be repealed.

**Public Relations**

Calls for information regarding proposals for a labor contract were received from WMKR and the Bangor Daily News. The Company had "no comment." Both the radio station and the newspaper developed stories based on information from other sources.

In cooperation with the Woodlands Department, we started planning a float for the 4th of July parade in Millinocket. The unit will be based on a wood harvesting theme --- how it was done in the 30s, the 50s and now in the 70s.

Releases on three promotions were distributed.

In New York City, we worked with Bob Vivian and members of the staff of the Ted Barash Agency on three projects --- a West Branch road guide and a paper industry report format.

The Bangor News also called for comment on a letter from a Massachusetts scout master. After a trip to the West Branch region which turned into a disaster, he wrote a complaining letter to newspapers, congressmen, state agencies and everybody else he could think would be interested. The News, for the time being, decided against making a news story out of the letter. It was unfortunate. If he had let people know of the Troop's plans in advance, the Scouts could have had the traditional cooperation extended to such groups by all concerned, including Great Northern.
PUBLIC AFFAIRS

Copies of a booklet containing laws passed during the 1974 special session of the Legislature were distributed. Additional copies are available from the Public Affairs office.

An issue of The Northern Corner was distributed. (attached)

The Company's annual contribution to the Katahdin Area Council-Boy Scouts of America was approved.

In Augusta, we visited the offices of the Attorney General, Secretary of State, Bureau of Forestry, Bureau of Parks & Recreation and Legislative Research.

Information on meetings of the Board of Environmental Protection and plans for a three-year study of 43 Maine lakes were distributed to interested GNP departments.

Sincerely,

[Signature]

Paul K. McCann
Manager-Public Affairs

Enclosures (2)

Distribution:

J. R. Adams
R. W. Currier
A. E. Dentremont
P. I. Firlotte
R. E. Gross
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T. M. Knight
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A. J. Tozier
R. P. Vivian
P. F. Yacavone
R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
Funds for Dickey-Lincoln Planning

The House of Representatives June 6 voted funds for the first time since 1967 for planning of the Dickey-Lincoln power project. The vote was 201-186. Environmentalists saw the close vote as no major setback. "It will take at least 10 to 15 years before all the studies are completed, the design work done, and the court cases settled," a spokesman for the Natural Resources Council of Maine said.

Our Mistake

In last week's newsletter (June 3), we made an error in quoting Woodlands Personnel Supervisor, Henry Deabay. A contractor with an employee making $200 a week has to pay $29 a week for the workmen's compensation insurance for the employee required by Maine law. The rate is $13.75 per $100 of insurance with an 8% surcharge as a result of being in an assigned category.

Public Relations

At the request of the Sales Department, we joined in entertaining and a trip to the Telos mechanical harvesting operation by Father Grant, editor of The Pilot, the Massachusetts' Catholic newspaper. He was accompanied by a photographer. With Bart Harvey of the Woodlands Department, we also showed him the new GNP film.

An edition of The Northern Corner was published and for the first time we used a full page of photographs to report on the Retiree's Banquet. (A copy is attached.)

Public Affairs

We attended a Millinocket meeting of GNP environmental, research and engineering personnel with representatives of the State Department of Environmental Protection.

With agreement from Townsite, we made a contribution to the fund for a gift for the retiring Millinocket superintendent of schools.

A contribution was also made to the Millinocket Little League.

We provided regional economic data to the Director of Research & Engineering for a questionnaire on sulfite mills.

The new GNP film was shown to men who work in the two Aroostook operations.

At the request of Conservation Commissioner, Koons, we (Henry Deabay) provided information on logging training programs now underway in Maine. Dr. Koons is interested in his department coordinating all such programs and plans a meeting in the near future.
Paul K. McCann
Manager-Public Affairs

PMC/mml
Enclosures (3)

Distribution:

J. R. Adams
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R. P. Vivian
P. F. Yacavone
R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
E. J. Pinkham
July 3, 1974

Mr. Robert J. Shinners
Vice President-Northern Division
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The first anniversary edition of the Northern Division Public Affairs newsletter follows:

**The Penobscot Study**

Plans for the federal-state study of the Penobscot River were taking shape this week in Philadelphia and Augusta. The river was one of twenty-seven designated by Congress to be considered for inclusion in the National Wild and Scenic Rivers System. Both the West Branch and East Branch will be studied by a task force of representatives of state and federal agencies.

Representatives of Great Northern Paper Company have been asked to meet with members of the staff of the Bureau of Outdoor Recreation of the U.S. Department of the Interior. Headquarters for the northeast region of the BOR, which is coordinating the project, is in Philadelphia. They have asked to be briefed on the Company's hydroelectric system, forest management programs and on plans for the future involving resources of the watershed.

Information hearings are planned in Bangor, July 10 and in Millinocket, July 11.

On behalf of Great Northern, we have offered to help the study team in any way possible. During the week, some of the team will canoe the East Branch and the West Branch. Congressman Kyros is considering joining the party on the West Branch and also has asked to meet with GNP officials. His plans are still up in the air because of conflicting Campobello International Park commitment. We visited with members of his staff this week who are planning his trip.

As you asked, we will monitor the Bangor hearing and be prepared to report at a meeting July 11 prior to our meeting in Millinocket with the study team. In the meantime we have distributed copies of pertinent laws, guidelines for the study and information on the Bangor and Millinocket meetings to managers involved.
River Study (continued)

All along the way in dealing with state and federal officials, we have been stressing our desire to cooperate in resource management programs while pointing out the Company's historic dependency on the West Branch region for wood, power and water.

LURC...THE POT BOILS!

As we reported last week, Executive Director James Haskell has quit as executive director of the Land Use Regulation Commission. The Governor at the same time decided to "clean house" on the Commission. All commissioners had to be reappointed as a result of changes made by the Legislature. Governor Curtis has been unhappy with the Commission failing to act on proposals for a Bigelow Mountain development. Newsmen focused their attention on the feud between Haskell and Conservation Commissioner Koons and on the conflict between the Governor and the lame-duck commissioners.

The Commission has the responsibility for developing a plan for the organization territory and zoning the ten million acres of land in the territory. It has the role of a local planning board in half of the state. All this was forgotten in the war of words in Augusta --- another in the long series which bogged down LURC since its creation.

Curtis was having trouble finding people with the courage to tackle the time-consuming role of commissioner --- those persons acceptable to the bulk of the interests involved.

PRIG --- Focus On Pollution

Air and water pollution studies are planned this summer by the Public Interest Research Group, the Ralph Nader-motivated consumer organization financed by students attending Maine colleges. Suzanne M. Spitz, executive director, has written public members that "projects underway for the summer involve nuclear power, property tax, occupational health, transportation and health, and air and water pollution." When PRIG took on Maine banks and accused over 40 of violating truth-in-lending laws in October, we reported on the background of the organization.

PUBLIC RELATIONS

The new Great Northern movie, "A Few Good Men", was shown at a meeting of the Millinocket Chamber of Commerce.

Information on the contract agreement reached between Great Northern and unions representing employees in the Millinocket and East Millinocket mills was provided WMKR, the Bangor Daily News and the Katahdin Journal.

Copies of a new brochure on the movie, "A Few Good Men" were distributed to the State Bureau of Forestry, American Pulpwood Association, Paper Industry Information Office, Maine Forest Products Council, American Forest Institute, Pinkham Lumber, and the woodlands personnel and central personnel departments of GNP.
In Portland, we visited with the editor of the award-winning employee newspaper of the New England Telephone Company. The tabloid goes to NET's 3,000 employees in Maine every other week.

In Augusta, we discussed the litter problem (by request) in forest lands of the state with Marshall Weibe of the Department of Conservation and visited with the editor of the Department of Inland Fisheries & Game magazine.

A copy of the news release providing details on the St. Regis Paper Company Bucksport expansion plans was distributed to managers.

We helped members of the woodlands department preparing the GNP entry in the 4th of July Parade in Millinocket. The theme will be "Logging: Past and Present" with, as reported last week a float with a man sawing wood with a bucksaw and another with a chainsaw followed by a mechanical harvester, de-limber, skidder and truck carrying tree-length wood.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Distribution:

J. R. Adams
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R. E. Gross
T. W. Kelly
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O. J. Lombard
V. F. Mattson
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R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
Contrary to the pro-development forces, who prepare their ground by constantly embellishing their portraits of a poverty-stricken Maine, this state is now at the threshold of a period of economic vigor and potential prosperity unparalleled since the wooden ship industry’s prime was passed almost a century ago.

The issue of how to shape that prosperity so it benefits the maximum number of Maine citizens with a maximum range of benefits will be the primary issue facing Maine governors and legislatures for the next 20 years. If Maine remains poor, it will do so only because its governmental leaders fail to fulfill their responsibilities as leaders and managers of the state’s economy.

At the heart of Maine’s restored vitality as an economic force is its primary natural resource: the forests which cover 90 percent of its land surface. Also a part of the mix are the valuable potato producing lands of Aroostook County and the recreational real estate of the southwestern coast. Several primary forces at work on a national and global scale have combined to make these unique Maine resources much in demand; and if demand grows and supply remains limited, the result is an increase in the unit value of the commodity.

As a primary renewable resource of multiple capabilities, Maine’s forests might well be compared to the oil wells of Kuwait—they are an incredibly rich lode located in what has become an essentially underdeveloped nation. The shortage of oil, combined with the third world’s raised consciousness about the value of its non-renewable resources has led to a situation of global shortages. Jamaica has tripled the price of aluminum ore and has plans for the increased nationalization of the industry. African copper exporters have raised the cost of a roll of copper cable a dollar a week for 18 recent weeks. Combined with a 100 percent increase in the price of crude oil over the past two years, this cost escalation, coupled with inflation and increasingly limited supplies has created intense demand and soaring prices for every sort of non-renewable resource, from goldbullion to telephone cable to beer cans.

As a result, the wonderfully diverse renewable resource that is wood has become a crop of new and often astounding value. There will be a continued and climbing global demand for wood, wood products and wood by-products, such as methanol. Like the sheiks of the Middle East, the corporations who own much of Maine’s forests now find themselves the proprietors of a resource that grows in value each day that passes.

Signs are abundant that the corporate captains are well aware of the growing value of their crop. Several major Maine paper firms will spend a total of more than half-a-billion dollars during the current year for plant expansion and improvements to increase production. Next year will see more such investments, most probably on an even larger scale; and there are solid indications that Maine will soon have a wood products port in eastern Maine to put the state’s forest products on the global markets. Fifteen years ago, many of the same firms now investing hundreds of millions for expansion were saying they might close up their plants and leave Maine if water quality standards were pressed. Now, some of the new millions being spent are paying for water treatment systems.

But there are potential benefits for the state that go far beyond the installation of devices to help keep Maine’s rivers clean, or higher wages for the thousands employed by the state’s largest industry. And there are also high risks. After investing more than half-a-billion, for example, some of the companies will want to recoup that investment as quickly as possible. That means that the demand for the right to cut however and wherever it pleases will be a demand the timber industry will make more often. There are forests products experts already predicting that within five years the state’s wood industry will ask for the right to cut throughout Baxter State Park; and those same voices argue that the pressures will be so great that the cutting will be allowed.

Just as they will have to face that question, Maine’s future executives and lawmakers will also have to decide on the regulation of the forest resource at every level. They will have to create systems so Maine shares in the benefits of the new prosperity, rather than cleaning up the resource wreckage after the exploiters and spoilers have had their way.

With enlightened leadership and hard work on the part of the good people in both government and industry, Maine should be able to shape a future for itself which combines the best of private enterprise with the wisest of public policy. As the state with more forested land than any other, this one now finds itself having to develop a resource plan that must break with past practices which allowed that resource to be plundered; yet it must do so within a framework that allows free enterprise and private ownership to survive as economic principles.

The resolution of the issue is a primary challenge to the state’s finest minds. The nature of that resolution will determine Maine’s future more than any other single factor. There are not always benefits to sudden prosperity. But there can be. In Maine’s case, those benefits will not be realized if the rising value of the forest resource is obscured by false prophets repeatedly proclaiming the presence of poverty. If poverty is here, it is only because the state’s treasure is being stolen.

(JNC)

Maine Times, Friday, July 12, 1974
Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

While you have been involved in many of the day to day events of this week, we will use this newsletter to bring all hands up to date on the joint federal-study of the East and West Branches of the Penobscot River:

**THE RIVER STUDY**

Representatives of Great Northern and members of the team studying the East and West branches of the Penobscot River for possible inclusion in the National Wild & Scenic Rivers System met July 11 in Millinocket.

Your exchange with "Red" Arnold summed up the reasons for the meeting.  

"We are trying to find out what you are going to do to us......"  

"We prefer to think in terms of what we are going to do for you......" said Arnold. Maurice Arnold is the regional director of the Bureau of Outdoor Recreation, U. S. Department of Interior. The BOR was directed by Congress to coordinate a study of the branches of the Penobscot and twenty-seven (27) other rivers. Eight (8) rivers were placed in the system by Congress when it ordered the study, including the Allagash, a scenic river administered by the State.

Great Northern's stake in the upper Penobscot River basin is something we all appreciate. It is a vital source of wood, power and water.

Out of the meeting with the BOR staffers and out of the public information meetings in Bangor and Millinocket, we can report that the study team at this stage of the game has few answers. After they complete their planning study, the team's alternatives for recreational and other management can be expected in several months. (Of course, they could recommend the East and West Branches be dropped from the system.) Once recommendations for management are made, there will be another round of public hearings. Next would come a staff report to be circulated for comment. The final step (in 12 to 18 months) will be a final report to the President to be sent to Congress. Each river incorporated into the system requires separate legislation and action by the Congress.

At the GNP-BOR session, company representatives covered woodlands management, power system and future plans for development in the Penobscot basin. We put our cards on the table and answered all questions.
River Study (Continued)

The river could be classified in one of three categories or split up in portions covered by the different categories -- wild, scenic and recreation. Construction of new dams would be difficult... if not impossible....in all three. Additional management burdens on timber harvesting would also be likely, particularly in the wild category.

In addition to the briefing, Power Systems Manager, Paul Firlotte (joined by Warren Richardson, assistant paper mill superintendent and an experienced canoeist) joined the evaluation team for the trip down the river from Pittston Farm to Medway. Several others helped in other ways with logistics for the study team.

The week had its lighter moments. Two sincere young Indians, a man and wife who said they had been chased out of their homes in Delaware by the Corps of Engineers, warned people at the hearings "to read the fine print in the bill." They protested further intrusion into people's lives by the government. They compared park rangers with mosquitoes swarming over the landscape. Only fifty (50) people attended the Bangor hearing and about the same number the Millinocket session. In Bangor, a dozen conservationists and canoeists plugged for the bill. The majority of people didn't seem to care much about the subject. Both in Bangor and Millinocket people questioned if Federal designation wasn't just going to attract people who would destroy the beauty and resources of the rivershed.

Congressman Kyros was planning to join the canoe team on the West Branch. (We have provided him and other members of the Maine Congressional Delegation with materials on the company's interest in the region.) This will be covered in next week's letter.

TIMBER BARONS AND OIL SHEIKS

John Cole, editor of the Maine Times, writes in the July 12 edition that "Like the sheiks of the Middle East, the corporations who own much of Maine forests now find themselves the proprietors of a resource that grows in value each day that passes." His comments on the expansion taking place in the paper industry in Maine reflects a question being heard frequently: How can the Maine public be assured that industry's forest management is keeping pace with the demands for raw materials? (The editorial is attached).

BARRINGER TALKS ABOUT PUBLIC LOTS

The director of the Bureau of Public Lands was introduced by a newsman who said public opinion polls show not many people are interested in the subject. Dick Barringer hopes it isn't so. And anyway, he senses solutions in the wind. Barringer made an appearance on public television July 12. He is young and personable. Barringer thinks before he speaks and picks his words when the questions get rough.

Some of his thoughts:

The major landowners with interests in the timber and grass rights on public lots are finding the situation "no longer tolerable...they would like to see themselves and the states out of co-tenancy...it is a "politically impossible solution for them."
Barringer Talks About Public Lots (Continued)

On the Machias River, three (3) companies (St. Regis, Georgia-Pacific and Pejepscot) have been cooperating in a study to see if public lots could be realigned to protect the Atlantic Salmon resource...Brown and state people are looking at the potential of the Chain of Ponds.....In the upper Kennebec Valley, Scott is cooperating.

Why are the landowners taking this approach after having opposed the "Grand Plantation" legislation? He says they recognize that to plan effectively, they need control --- and they can't have full control until the issue of timber and grass rights is resolved.

In general, he thinks that companies have been "honorable" in dealing with the state. He did say sand and gravel has been removed from public lands without authorization.

In retrospect, Barringer maintained the "Grand Plantation" bill was an idea proposed before its time. Sooner or later (and he hopes not in the next session of the Legislature), the state will have to face up to the problems of providing additional services for the unorganized territory in education and other fields. This could be true. If it is coming, we had better start thinking about getting involved.

(Great Northern officials have conferred with Governor Curtis and with officials of the State Department of Conservation seeking a solution to the public lots controversy.)

PUBLIC RELATIONS

Questions from John Keys of WMKR regarding the Company's pollution abatement programs were answered.

A new West Branch road guide was distributed. (Copies are attached.)

The new movie "A Few Good Men" was shown to three groups of visiting customers and also to a group of resource development people in Aroostook County.

We discussed a sales department newsletter with John Staples and will come up with a suggested format for a quarterly publication.

PUBLIC AFFAIRS

We met with representatives of the Phoreau Fellowship, Inc., who are considering a museum in the Penobscot region.

Arrangements were made for the president and executive secretary of the Maine Forest Products Council to visit in Millinocket and the woodlands.

Sincerely,

Paul K. McCann
Manager-Public Affairs
Pollution Control Bond Issue -- Residents of Millinocket will be briefed at a public hearing tentatively scheduled for July 25 on the Company's plans for a secondary waste water treatment plant. Effluent from the Millinocket mill will be treated in lagoons adjacent to the primary plant. Voters of Millinocket, probably in early August, will be asked to approve $5.5 million in Pollution Control Revenue Bonds. Such bonds are tax free and have been approved by both Millinocket and East Millinocket for primary treatment plants. Using this method of financing doesn't cut the project cost any but it does reduce interest charges. The towns shoulder no expense and are financially obligated in no way. The bond issue for the Millinocket primary plant was approved by a vote of 932-37, in January of 1971. (State law requires that the total number of votes cast be at least 20 percent of the total vote for all candidates for governor cast in a community in the last election.)

Regional Briefings -- Contract Logging Service contractors, men with harvesting operations on Northern lands, are being briefed on the scope of environmental laws at a series of meetings. At the first in Fort Kent, P. H. (Pat) Welch, GNP environmental protection supervisor, reviewed air, water and land laws. He emphasized the need for preventing oil spills -- and for prompt reporting of those spills which do occur. Also stressed was the need to prevent soil erosion and siltation. At the Fort Kent meeting, L. H. (John) Colgan, safety supervisor-woodlands, discussed the requirements of the Occupational Safety & Health Act of 1970. An Ashland meeting is next in the series. It will be held July 17. Oil clean up methods will be demonstrated.

Outing for Apprentices -- The 20 papermakers and ten mechanical tradesmen who completed their training this year were guests at a graduation outing July 13 at the Rice Farm. Horseshoes, volleyball and softball were on tap as well as a cookout. The graduates included: (Papermakers-Millinocket mill) Dennis Green, Ralph Walsh, Leroy Violette, Norman Brown, Walter Cook, Charles Leach, James Nyman, Paul Smallwood, Richard Bona, Thomas Herring, James LaPointe, Willard Philbrook, Herbert LePage, John Duffy; (Papermakers-East Millinocket) John Harris, Roger Ware, Albert Scott, Vincent Rush, Richard Sereyko, Emile Doiron; (Mechanical Trades-East Millinocket) George Lynch, Maurice Peters, Seacle Crocker, Hugh Michaud, Robert Cox, William Lee, Dorance Clay, Ronald Pelkey, Douglas Fiske, Michael Stanley.

New Movie -- Prints of a new Great Northern movie, "A Few Good Men", are available for showing throughout Maine. The 21-minute film was made in the West Branch region and in Aroostook County. It is designed to acquaint young people with job opportunities in the Maine woods and also to inform the public of the modern way of life enjoyed by the men who are engaged in such work. The film is completely factual and true to life. The challenges and hard work required of timber harvesters are pointed out as well as the rewards. The 16 mm color production includes scenes covering the company's expanding mechanical harvesting operation at Telos. Bookings for service clubs and other organizations can be made through the Public Affairs Office.
New Faces -- Dennis Wentworth has joined the Woodlands Department as Fort Kent district forester. The Camden-Rockport native has both B.S. and M.S. degrees in Forestry from the University of Maine...Arthur P. Birt has joined the GNN Internal Audit Department. He is assistant resident auditor for the Northern Division and will be based in Millinocket. The University of Maine graduate lives in East Millinocket...Ronald R. Locke has taken over as district forester in the Penobscot District, the region south of Millinocket and Greenville. He will be based in Sebec. Locke resigned from the Maine Forest Service to join Great Northern...Robert Wright, a 1974 graduate of the University of Maine with a B.S. degree, has joined the staff of the Aroostook District as a forester and will be headquartered at Ashland-Sheridan.

West Branch Road Guide -- A guide for the GNP road system in the West Branch region has been published. It is basically aimed at promoting safe driving on the roads but also offers information on forest management and recreational opportunities in the region. Copies will be available at check points at Abol, Sias Hill and 20-Mile and from the Public Affairs Office in Millinocket.

Safety Tips -- From L. H. (John) Colgan, safety supervisor-woodlands, comes these suggestions for using a chainsaw on the job, around the camp or elsewhere:

1) Plan your work. A retreat path should be at a 45° angle so you won't get struck by the butt.
2) Proper gas mixture and use of proper bar oil is very important for good saw maintenance and performance.
3) Notch tree to be felled at least one-third the size of the butt.
4) Be sure that notch is in proper line so the tree does not fall on power line, telephone line, camp, etc.
5) No loose clothing should be worn; such as, unbuttoned shirt sleeves, loose pant cuffs, etc.
6) Proper filing should always be used. Both of the cutting teeth should be filed at a 35° angle so you will get a straight cut.
7) Always plan on using a safety chain. The price is the same as a regular chain. Safety chains are made for your protection - not ours.
8) Rakers and stabilizers should always be kept on 25 one-thousandth depth and rounded off to stop vibration.
9) When limbing tree, always cut limbs towards you on the side you are standing and away from you when limbing back side of tree. Always start at butt and work towards top.
10) Never top a tree that has tension at the top. If you have to, be sure to stand on back side of spring tension.
11) When job is completed, clean up the mess.

Yes, We Have Visitors! -- They came from Alaska, Minnesota, Illinois, Indiana, Massachusetts, New York, New Jersey, Connecticut, Michigan, New Hampshire, Pennsylvania, Washington, D.C., and from elsewhere in Maine during the month of June to see paper made in the mills. Weekday tours are offered the public. Information on the tours is available from the personnel offices of the two mills.

Big Day In Millinocket -- Thousands turned out to see the biggest 4th of July parade in years in Millinocket. The Great Northern entry (photograph above) was built around the theme: "Logging: Past and Present". A float illustrated the days of the bucksaw and the coming of the chain saw. It was followed by the mechanical harvesting equipment used in today's tree-length system: the feller-buncher, de-limber, grapple skidder and truck. Personnel from the Telos operation manned the equipment in the parade. The truck was provided by Bill Stanley, one of the major contractors hauling wood on the West Branch road network.
July 19, 1974

Mr. Robert J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine - 04462

Dear Bob:

The Public Affairs Newsletter for the week ending July 19th follows (next week's report will be incorporated into the July 30th edition because of vacations):

THE WEST BRANCH STUDY

The evaluation team studying the East and West branches of the Penobscot River completed its canoe trip down the river, pulling out at the Rice Farm after putting in at Pittston Farm. Power Systems Manager, Paul Firlotte and Warren Richardson, assistant superintendent of the paper mill, accompanied the party. Mr. Firlotte plans a written report, but he also says that from a canoe the banks "looks almost like God left it..... we haven't visibly hurt it a bit in 70 years".

The study teams were impressed, according to Firlotte. He indicates that they may well recommend that it be classified as scenic or recreational from North Twin Lake, north and west. If so, the questions of hydro-electric development and wood harvesting become crucial.

While Paul was with the technical team, we met the information team at Chesuncook Lake Saturday as they were nearing the end of their inspection. Maurice "Red" Arnold, regional director of the Bureau of Outdoor Recreation, U. S. Department of Interior, was in this group. With cooperation from the Woodlands Department, we provided a truck to transport gear over several stretches where it was impossible to canoe.

We have developed solid lines of communications with the federal and state agencies involved. Our recommendation now is that we collect our thoughts on GNP's position and in a couple of months visit with the BOR people in Philadelphia to offer additional help and measure their thinking. In the meantime, we also will be briefing members of the staffs of the Maine Congressional Delegation. Norm Drew of Senator Hathaway's staff was in Millinocket July 19 for such a session. (Congressman Kyros, who joined the group on the river for a short time, went back and urged "parts" of the river be included in the federal system.)
THE SPRUCE BUDWORM

The topic of conservation everywhere in northern Maine this week was the spruce budworm. Swarms of moths were everywhere --- in the forests of northern Maine, in the mills and in communities. All one had to do to unleash a swarm was to shake a tree. The full impact of the epidemic threatening the state's forest resources hit home to the general public. What foresters had been warning people about now had become visible.

(Copies of a state brochure on the spruce budworm will be included with this newsletter, or distributed later if the shipment from Augusta is delayed.)

We provided information to John Keys of WMKR on the subject. He is planning a radio program on the subject. The Katadinin Journal also had questions on the subject... as did the correspondent of the Bangor Daily News in Millinocket. They were considering writing stories.

JIM LONGLEY VISITS

Jim Longley came to Millinocket, proclaiming that he is the gubernatorial candidate who deserves the support of business and industry. "It takes a businessman to appreciate the problems facing business and labor in this state," he said during the July 17 stop. He considers George Mitchell the front-runner with Jim Erwin third in the field. Longley is gearing up to make the biggest pitch by an independent candidate in the state's history. Longley greeted workers at the Millinocket mill at midnight and again in the morning.

PUBLIC RELATIONS

The report of GNN's second quarter earnings was taken immediately to Bangor and given to the managing editor. It did not appear in the next issue nor in the edition which followed. We plan to question the omission as we have in the past.

The earnings report was immediately broadcasted over WMKR in Millinocket.

Copies of the latest edition of the northern division newsletter was mailed all logging contractors with copies of the new West Branch region road guide and brochure on the film, "A Few Good Men."

PUBLIC AFFAIRS

With the cooperation of Woodlands, we arranged a visit to Telos for the President and Executive Director of the Maine Forest Products Council. Ray MacDonald and Joe Lupsha also toured the Millinocket mill and visited the pollution abatement plant. MacDonald is a forester and vice president of the Casco Bank in southern Maine. It was his first visit in years to the northern forests.
Public Affairs (Continued)

Matters pertaining to public lands were discussed with Commissioner Koons, Parks & Recreation Director Dickens and Public Lands Director, Barringer.

Donations were approved for the Pine Tree Camp for Crippled Children and the Patten Lumberman's Museum.

Another issue of the northern division newsletter was published (attached).

A fact sheet on the Telos operation was prepared for visits (attached).

Information was provided Norman Temple of Central Maine Power Company on GNP's residual oil consumption and last fall's problems.

Sincerely,

Paul K. McCann
Manager-Public Affairs

PMC/geg

Encls.

Distribution:

J. R. Adams
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R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
**Fact Sheet**

**TELOS MECHANICAL HARVESTING OPERATION**

The Telos Region:

Telos, location of The Northern's mechanical harvesting operation, is 45 miles from Millinocket. 100,000 forested acres in five townships are involved: T4 R12; the western portion of T5 R11; T4 R11; T5 R12, and part of T6 R12 (the last two are managed by Prentiss & Carlisle Company).

Spruce Budworm Problem

Spruce budworm infestation and heavy salvage cutting in the Telos region during the 1920's has resulted in very dense stands of spruce and fir. These even age stands are now ready for harvest, but they offer chain saw crews what is known as a poor cutting chance. Wood damaged or killed by a new infestation of the budworm and stands that are difficult to cut brought The Northern's mechanical harvesting operation into the area.

How It's Done

Forested areas 60 to 100 feet wide are clearcut and alternate with uncut strips 100 to 200 feet wide. Each strip is approximately a quarter of a mile deep. It is carefully marked by foresters who designate the cutting area and plan access roads. The cutting pattern is flexible and changes according to terrain or stand conditions.

Year Round Job Opportunities

The Northern's mechanical harvesting program helps attract and retain Americans who like to work in remote areas the year round. A special training program encourages those young men interested in making timber harvesting a career.

Mechanical harvesting requires skilled personnel. They are paid on an hourly basis with a production bonus and a night differential: 31 equipment operators, 4 mechanics, an assistant foreman and a foreman. A three-man chain saw crew harvests the salvage. Harvesting crews work a four-day week in two shifts -- 4:30 a.m. to 3:00 p.m., or 2:00 p.m. to 12:30 a.m. Two clerks, a cook and several helpers staff the camp. The men are housed in specially-designed mobile homes.
The Equipment

The Northern's Telos operation uses four types of machines, each with a specific function:

Felling: The Drott 40 Feller-Buncher is operated by one man. It can cut and stack 90 trees an hour for delimming. Great Northern has eight such machines.

Delimming: The Logma T-310 Delimber-Buncher is a relatively new machine which follows the Feller-Buncher. With an overall reach of 35 feet, the Logma processes 120 stems per hour, delimming and stacking the trees in piles for skidders to haul to the roadside. Great Northern has four.

Skidding: Clark 664 and 667 Grapple Skidders perform the final task in the harvesting sequence. These skidders haul 25-30 trees at one time, averaging 2.00 cords per trip, or about five cords per hour. GNP has four Clark Grapple Skidders and leases a Franklin 170 Skidder.

Dual Function: The Caterpillar 950 Tree Harvester teams with a Grapple Skidder. It can cut and delimb an average of 30 trees per hour. The Northern owns two.
Mr. R. J. Shinners  
Vice President-Northern Division  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:

The Public Affairs newsletter for the week ending August 2 follows:

**THE WEST BRANCH STUDY**

The federal and state agency staff members involved in the study of the East and West Branches of the Penobscot River for possible inclusion in the national Wild & Scenic Rivers System met again this week in Augusta.

For study purposes, they agreed to include the North Branch from above Big Bog and the South Branch from Route 201 within the area under consideration. They agreed to place the entire West Branch watershed upriver from Millinocket in one of the three categories --- wild, scenic or recreational. The East Branch will be studied on the basis of some sections being Wild and some Scenic.

Next?

It would appear likely within the next month or two a meeting of all interested parties will be called to bring all involved up to date....and invite suggestions. We will be working on coordinating the development of a GNP position and approaches to advance at this or at another appropriate time.

We are also researching background on other rivers included in the system as well as on the federal thrust of the program which seems to indicate desire for private involvement --- getting business and industry involved. There also seems to be a trend against land acquisition. This is defined in the following recommendation on Wild & Scenic rivers from "Outdoor Recreation - A Legacy For America", the first nationwide outdoor recreation plan adopted by the Department of the Interior:
West Branch (continued)

"As an alternative to fee acquisitions, States should, where appropriate, use zoning or less-than-fee acquisition methods in achieving scenic river preservation. States and local governments, working in concert and utilizing available powers and authorities such as zoning, should limit or prohibit the placement of structures; designate location of structures in relation to a river's edge, property or subdivision line, and flood flows; limit the subdivision of lands and control the location and design of highways, roads, and public utility transmission and distribution lines; and prohibit or limit the cutting of trees or other vegetation within specified distances from the river's edge. These measures would add further to the protection of valuable river resources."

GNP IS NO. 1 IN MAINE

According to the Maine Human Rights Commission (and we don't know why they are involved in compiling such statistics -- usually a Department of Manpower function), Great Northern Paper Company is the state's largest business employer, based on 1973 figures. Others in the Big Ten were New England Telephone, Scott Paper, Bath Iron Works, W. T. Grant, Oxford Paper, Maine Medical Center, Zayre of Maine and Fairchild Camera.

HASKELL AGAIN CALLS IT QUITS

James S. Haskell, Jr. apparently has made it final: he resigned again July 31 as executive director of the Land Use Regulation Commission. Haskell, who has been engaged in a running battle over zoning with timberland owners almost since the birth of LURC, quit with a blast at Conservation Commissioner Donaldson Koons. He said Koons, chairman of LURC, has a "Contemptuous disregard for me as an individual."

Haskell can be expected to carry on his fight for rigid zoning regulations of the unorganized territory in Maine, almost all forest lands.

A successor? One name being mentioned is Thomas Cielinski, planning chief for the Bureau of Parks & Recreation and the man coordinating the work of state agencies in the Wild & Scenic Rivers study of the East and West Branches of the Penobscot River.

ERWIN VISITS MILLINOCKET

Jim Erwin, the Republican candidate for Governor, this week spent a day campaigning in Millinocket. During a meeting with Great Northern managers, the former attorney general came down hard on two issues: checking the growth of state government and the need to create a better climate for business and industry. He also made it clear he opposes the Dickey Dam project. He toured the Millinocket mill and later went on to shake hands at the Foremen's Picnic. Erwin is actively stumpieng the state but doesn't plan to have his campaign under full steam until after Labor Day.
PUBLIC AFFAIRS

During the week of July 22-26, we talked with Conservation Commissioner Koons, Public Lands Director Barringer and Willis Johnson, press secretary to Governor Curtis, regarding publicity on Great Northern's negotiations with the State on public lots. We urged the information be made available to the press. It was. An Associated Press story which followed quoted Koons in a manner which he denied having intended to convey to the press. A Maine Times account, specifically naming Great Northern, covered the basic facts more satisfactorily from a GNP point of view. (Attached) Lynwood Hand points out, however, that we must continue to make it clear that GNP and other landowners initiated the law suit asking for a ruling on rights of ownership — not the State of Maine.

Another edition of the Northern Corner was published. (Attached)

This edition of the newsletter was mailed to those on the woodlands mailing list of wood suppliers along with the quarterly GNN earnings report.

Commissioner Marsh of the State Department of Inland Fisheries & Game and Attorney General Jon Lund called to urge Great Northern to sell another lot of land in Millinocket to the Baxter State Park Authority. It would be used as part of the new headquarters complex. We passed their points of view along to Townsite Manager Fred Morrison.

Data on Great Northern's use of different types of fuel were obtained from Purchases and provided the Paper Industry Information Office which was conducting a survey for the New England Regional Commission.

Ed Meadows, the new Seven Islands Land Company publicity man, and Sara Medina, a Seven Islands forester, visited Millinocket. They toured the Millinocket mill.

Information on Great Northern's fuel use and costs of fuel requirements were requested by William Burney of Governor Curtis' staff. The Governor is going to Washington next week to advocate retention of the federal allocation system.

PUBLIC RELATIONS

An advertisement with the theme "People...Maine's Most Precious Resource" was scheduled for the Labor Day edition of the Maine State Labor News with the concurrence of J. R. Adams, personnel manager.

A release on the appointment of Bob Hellendale as GNP president and the creation of Great Southern Paper Company was distributed to Bangor and Portland newspapers, WMKR (Millinocket), and weekly newspapers throughout northern and eastern Maine.

Sincerely,

Paul K. McCann
Manager-Public Affairs
Distribution:

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R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
August 30, 1974

Mr. Robert J. Shinners
Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

While you have been involved in most of the activities covered in this week's Public Affairs Newsletter, we will round up the events in the passing parade for all hands:

THE PENOBSCOT STUDY

Next week the State Department of Conservation holds a public information hearing on the joint state and federal study of the East and West Branches of the Penobscot River. The watersheds are being considered for inclusion in the national wild and scenic rivers system.

Lawrence Stuart, retired director of the State Department of Parks & Recreation, has visited with the officials of the Bureau of Outdoor Recreation in Philadelphia. It was his impression that the study is moving along and GNP can expect to be presented with some hard proposals in October. This pace is faster than Stuart had expected. His other observations (a more detailed report will be circulated to departments involved) include the fact that most of the area seems to be headed for the "Wild" and "Scenic" categories in the recommendations--including most of the stretch from Ripogenus Dam to Millinocket. This differs with earlier thinking of the study team.

One thought which keeps coming up, Stuart reports, is that of joint company (GNP)-government management of the West Branch for recreation.

THE DEMOCRATIC CANDIDATE FOR GOVERNOR

George Mitchell, the Democratic candidate for Governor, considered the front runner at this stage of the campaign, came to Millinocket again August 26-27.

The candidate is impressive. He is a man with ideas and a man with answers. Some of his thoughts:

He favors negotiations between the State and the owners of timber and grass rights as the first step in seeking a solution to the "public lots" issue.
Mitchell (continued)

He thinks the economic impact of a new industry should be considered by the Board of Environmental Protection...and it may be that the State needs a full-time board of three commissioners to administer the site selection law instead of the present ten member board.

He wants to create advisory boards to represent different segments of industry. For example, Mitchell thinks the Governor should meet regularly with a group from the pulp and paper industry. He's an advocate of better communications between industry and the Governor's office.

He is being asked questions regarding the financing of the massive control programs which apparently will be necessary to attack the spruce budworm's damaging invasion of the state's forest lands. Why should, he said he is being asked, the total cost be shared by the state and federal governments. Why not industry involvement?

He's impressed by industry's pollution abatement programs and sees the need to push ahead on schedule.

Mitchell greeted workers in East Millinocket during the morning. He later toured the Millinocket mill. When he came to both towns during the primary, he was seeking to establish his identification. He had never been a candidate for political office. It was apparent this week that Mitchell has done just that. His name is now one that associates with the campaign.

His meetings with you, Bob Hellendale and our managers were sessions which he appreciated.

While his schedule was tight, he had questions, too, for Henry Deabay, Pat Welch, Paul Patterson and Ralph Currier during the briefings on the subjects of bonded Canadian labor, pollution abatement and the spruce budworm problem.

What are his chances?

Mitchell sees a close race. The young attorney (he's in his early 40s) sees the chances much the same as the pros on the Augusta scene: The outcome of the campaign will likely hinge on the impact of independent Jim Longley's success in appealing to voters. Longley, a long-time Democrat in the Lewiston area, could cut into Mitchell's majority in this Democratic stronghold. On the other hand, Longley's campaign thrust of economy in government may undercut Republican Jim Erwin in other areas. (Mitchell says government long ago got involved in a lot of fields and it is too late to reverse this direction. But any new programs will get scrutiny, he says.) The Androscoggin vote is pivotal. It was Bill Hathaway's margin in his Senatorial campaign against Margaret Chase Smith. It was Ken Curtis' margin over John Reed in the incumbent Governor's first bid for the State House Office.
THE TAX PICTURE

Larry Simpson, the young Republican majority leader of the House, August 22 said he will be a candidate for speaker of the House during the next session -- and said he thinks we may be facing a $40 million deficit in the state's general fund which could mean doubling the personal income tax.

The "pros" in the budget business bureau differ. While saying the economy has uncertainties in it today, Legislative Finance Officer William Garside is sticking to the prediction we reported in our May 24 newsletter: Unless the State adopts major new programs, no new taxes will be needed. His office, the office of the State Tax Assessor, the University of Maine and the Department of Commerce and Industry are now taking a look at the revenue picture and projecting income as a basis for a report to the Legislature.

A new tax or a big jump? Garside thinks it would be a major challenge to get one passed.

ST. REGIS MAKES ITS CASE

St. Regis Paper Company is planning an $80 million expansion of its Bucksport mill and on August 22-23 representatives of the Company went before the Board of Environmental Protection and federal officials requesting the necessary permits. The two-day hearing consumed eleven hours. The initial St. Regis presentation covered three and one-half hours and was apparently designed to head off questions from board members and the audience. A request by the Natural Resources Council of Maine for a 30-day postponement was denied. A decision could now come as early as September 11. Along with the NRC, the challenges to the St. Regis application came from the Public Interest Research Group.

The Bangor Daily News did not cover (or report) on the hearings, biggest industrial project now taking place in its area.

PUBLIC AFFAIRS

A contribution to the Portage Golf Club, recommended by Tom Pinkham, was approved. The course is popular with Pinkham and GNP employees who live and work in the Ashland region.

A contribution was approved for the Fort Kent Memorial Hospital to help with financing a beeper communications network for the medical staff. The hospital served over 500 GNP, Pinkham and contract logging service employees last year.
PUBLIC RELATIONS

Copy was provided the Katahdin Journal for a Labor Day weekend advertisement -- another in the series urging safety on logging roads.

Sincerely,

Paul K. McCann
Manager-Public Affairs

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R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
August 23, 1974

Mr. Robert J. Shinners  
Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:

The Public Affairs Newsletter for the week ending August 23, follows:

**THE PAPER INDUSTRY'S IMAGE**

The paper industry has an over-all positive image in the State of Maine. The industry is appreciated more in the Second Congressional District than in the First.

These facts have apparently emerged from Northeast Markets public opinion poll on behalf of the Paper Industry Information Office. It's the first time a research firm has ever been asked to evaluate the industry's image in the minds of the people of the state. Evaluation of the poll's results are still being tabulated but Northeast Markets has passed along these preliminary findings. A full report will be made in September. It should be a valuable report to be utilized in public relations and public affairs activities of all paper companies operating in the state.

**LANDOWNER NAMED TO LAND USE REGULATION COMMISSION**

George "Pete" Sawyer of Ashland has been named to the Land Use Regulation Commission. Sawyer, a forester and long-time manager of Dunn Timberlands' 150,000 acres of land in Aroostook County, fills out the reorganized commission.

The Commission now includes Dr. Donaldson Koons, Conservation commissioner, as chairman with Myles Smith of Dover-Foxcroft (representing forestry interests), Ken Cianchette of Pittsfield (business and industry), Malcolm Coulter of the University of Maine (wildlife), Sherwood Libby of Steep Falls (conservationist) and Mrs. Esther LaCognata of Portland (public).
LURC (continued)

Talk in Augusta this week centered around the possibility that Thomas J. Cieslinski will replace James S. Haskell as executive director. The deadline for applications has passed. A man soon will be named to fill the $19,000-a-year post vacated by Haskell. Cieslinski, the supervisor of planning in the Bureau of Parks & Recreation, is now coordinating the Penobscot River Study. He is a forester. He came to Maine to succeed Haskell when he left the Parks agency and steered a statewide outdoor recreation plan to completion, winning for the state five years of eligibility for funding for land acquisition --- the maximum possible.

THE PAPER PLANTATION

The Nader study of the paper industry in Maine has been published --- not in the paperback we had been told was in the works but in a hard-cover edition selling for $8.95.

So far only one newspaper article has been devoted to the subject --- an editorial in the Bangor Daily News. "The new hard-cover issue of 'The Paper Plantation' will perhaps prompt the paper industry to rebut. But if it doesn't, and if the dust jacket gathers only dust in the boardrooms, we'll wonder if there is indeed another side to the story," concluded the News. There has not been any formal industry rebuttal although most all of the subjects have been dealt with time and time again in the press over the last year.

THE MAINE CAMPAIGN

This is an election year.

Voters in Maine will pick a new governor. They will fill two seats in Congress. Members of the State Legislature will be named.

So far it has been a dull campaign, probably by design. It can be expected that the gubernatorial race will pick up speed after Labor Day. Democrat George Mitchell is the frontrunner now in the minds of most political observers. With Watergate behind the Republicans, Jim Erwin's stock is rising. One veteran Augusta campaign-watcher, insists the real question is where Independent Jim Longley gets his votes --- "and Jim is going to get some." What will be the major issue? Right now the politicians see economy in government as the most likely subject for Longley and Erwin to stress.

Incumbents Bill Cohen and Peter Kyros are odds-on-favorites to retain the Congressional seats.
Campaign (continued)

Democrats claim they are out in front in the battle for control of the 151-member House of Representatives in the Legislature. Republicans say they can retain control and see 77 or 78 seats as safe. If the Democrats are successful, Representative John Martin of Eagle Lake will be speaker. The Republicans will have to pick between incumbent Dick Hewes, majority leader Larry Simpson and Representative Palmer. Simpson is given the edge at this writing with Palmer seen as majority leader.

The Senate? Observers see 18 Republicans as safe. Senator Joseph Sewall of Old Town (if he wins a fight for re-election) is the GOP choice to replace Ken McLeod as Senate President.

THE SPRUCE BUDWORM

The forest industries and state agencies have been inviting as many newsmen, legislators and conservationists as possible to see the impact the spruce budworm is making on the timberlands of northwestern Maine. One editor of a Maine daily made the inspection trip and came back expressing the view that the solution is going to have to be a long-range control program, probably utilizing Zectran---the chemical which was utilized in 1974. He expressed other views "it would be suicide for the paper industry to try and sell DDT....why hasn't the industry turned its financial and other resources loose on research and control programs instead of leaving the problem in the hands of governmental agencies?"

These and other questions have got to be quickly faced by the Company as well as others involved. If a $10 million program is going to be approved by the Legislature, the education effort should be launched as soon as possible. In preparation for the education effort, we have asked the Conservation department for complete sets of slides and color photographs. (They will be delivered next week.) We plan to put together a slide show for use by GNP people throughout northern Maine.

In Augusta this week Commissioner Koons reported he is briefing members of the Maine Congressional Delegation on developments and urging them to open lines up with Canada for coordinated efforts by Quebec and New Brunswick.

WEST BRANCH STUDY

Commissioner Koons has invited Great Northern and other interested groups to a progress report meeting on the Penobscot study, September 4 in Augusta. State and federal officials will bring people up to date on the study of the West and East branches of the river for inclusion in the national wild and scenic rivers system.
West Branch (continued)

Lawrence Stuart of Augusta, retired state commissioner of Parks & Recreation, has been retained by Great Northern as a consultant to analyze the state and federal study. He will go to Philadelphia next week and report prior to the hearing. Stuart is a nationally recognized leader in the recreation field.

PUBLIC AFFAIRS

We attended an Augusta meeting with L. W. Hazelton of Woodlands at which Transportation Commissioner Mailer outlined his department's financial plight. If a bond issue isn't approved by the voters in November, road-building will stop in Maine. Down the road, he and members of the Maine Good Roads Association (who hosted the meeting) said additional revenues are needed by the department. There was talk of a one-cent increase in the gas tax and a three-cent increase in the tax on diesel sold at pumps for highway use.

The Baxter State Park Authority has narrowed the field of candidates for the job of executive director to three men. He would become the Authority's administrative head. In Augusta, two conservation department officials (Fred Bartlett and Ed Werler) are being seen as leading candidates.

PUBLIC RELATIONS

Great Northern this week hosted a meeting of the public relations committee of the Paper Industry Information Office.

Herb Cleaves of the Bangor Daily News was provided information at his request on the main West Branch haul road. He was visiting in the area.

The film "A Few Good Men" was scheduled for the New England Regional Resource Development Workshop at Portage next month.

Sincerely,

Paul K. McCann
Manager-Public Affairs
August 12, 1974

Mr. Robert J. Shinners
Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Newsletter for the week ending August 5 follows. Events of next week will be incorporated into the August 23 newsletter. I will be away for a week on vacation.

PRIG GETS IN THE ACT

We have reported several times on the activities of the Public Interest Research Group. The organization is financed by dues collected from students by colleges and the state university. It is structured along lines proposed nationally by Ralph Nader. This week PRIG took a stand on expansion projects proposed by St. Regis and International paper companies. Representatives of the group contend the pollution abatement facilities proposed for the projects may not be the best available and question if the companies are shortchanging state law by linking the expansions to existing and licensed systems. PRIG representatives plan to speak at the Board of Environmental Protection hearings on the project, not as opponents but in the interest of focusing public attention on the issues. When hearings were held by the BEP on the Scott plans for the new $200 million pulp mill at Hinckley, environmentalists turned out to support the company proposal. St. Regis and International may not be as fortunate.

APPOINTMENTS?

There were reports in Augusta last week that Governor Curtis is preparing to post nominations for the Board of Environmental Protection and Land Use Regulation Commission. Richard Anderson, the capable executive director of the Maine Audubon Society with headquarters in Portland, is reportedly going to be nominated for the BEP. He will be a conservation member, replacing the late Lew Colomy. Two of Curtis' nominations for the busy BEP have been held up by the council -- businessman Sam Hill and economist Geoffrey Faux. Hill is a former Dead River Company executive. Faux is an economist and a former Nader employee who recently moved to Maine. The reshuffled LURC lineup has one vacancy and Curtis has been screening possibilities. Now the name of Floyd Crocker, retired St. Regis Paper Company woodlands manager, apparently is under serious consideration.
NEW USES FOR PUBLIC LOTS

Dick Barringer, the director of Public Lands, and Herb Hartman, a consultant, plan to canoe the West Branch as the state department continues to consider new uses for the public lots or public lands in the area. They are winding up a similar study on the Machias River. The "talking stage" negotiations down east apparently also involve protection of the Machias River corridor. The state people would like to get some guarantees from landowners that there would be only selective cutting and no road-building.

FOREST PRACTICES

The Public Lands Committee of the Legislature, August 5 held a public hearing on the Bald Mountain situation. Siltation from this harvesting operation drained into a trout pond. The incident took place on Hilton lands managed by the Sewall Company and has been widely publicized. Conservation Commissioner Koons said he pointed out to the committee that the siltation was the result of road building and not harvesting. Koons' Bureau of Forestry is conducting a series of informational meetings around the state on the subject of forest practices. Reports indicate small businessmen are turning out at the meetings to protect proposed regulations. Koons himself sees the subject as divided into three areas --- roadbuilding, harvesting and silvicultural practices. Despite the protests of the "little guys" at the hearings, the Public Lands Committee is headed in the direction of proposing controls. Leigh Hoar, the forester assigned to the committee, has complimentary words for the GNP Telos strip cutting methods. He sees the strips as a step in hastening regeneration. Hoar isn't worried about "how nice" a cut looks to the eye. A lot of others in his department are.

PUBLIC RELATIONS

We visited Pittston Farm to talk with a writer (Tom McPherson) and a photographer (Tim Brian) who were doing an article for Scouting Magazine on the Maine High Adventure Base leased to the Scouts by Great Northern.

After talking with Tom Pinkham, we returned a call from Chris Spruce of the Bangor Daily News in Presque Isle to put to rest a rumor that the Pinkham cone burner was going to be closed down to satisfy state air pollution laws. It is licensed.

PUBLIC AFFAIRS

Information on the impact on Great Northern of the controversial state school subsidy law (L.D. 1994) was provided Associated Industries of Maine. Fred Morrison talked with local school superintendents in collecting the data which shows three local communities gaining approximately as much as they lose under the new system.
Public Affairs (continued)

Arthur Stedman, chairman of the A.I.M. Tax Committee, will go before a special legislative study committee on August 14 to report on the impact of the law on business. The new law sets a statewide mill rate on valuations and supports the state's school population on an equal dollars per pupil basis.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b

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G. E. Veneman
Mr. Robert J. Shinners  
Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:

The Public Affairs Office newsletter follows for the week ending September 6:

**QUOTES FROM AROOSTOOK**

In the last week or ten days, we have heard another outburst of criticism of timber harvesting practices. Most have come from the St. John Valley. All of the criticism has been based on developments in Aroostook County.

The quotations:

Robert Jalbert, Fort Kent attorney, as quoted in "That Dickey-Lincoln Project: Let’s Hear From The People" by Larry Willard in the September issue of Yankee Magazine:

"The wilderness area of the Allagash and the upper St. John has been so over-cut that when the snow melts in the spring there’s nothing to hold it back. What I’d really like to see - the ideal situation - would be a protective strip of land a mile wide on each side of the St. John and each of its tributaries under Government control, and an immediate end to cutting within these protective strips. The timber companies have too tight a hold on the Maine legislature for the State to do anything. They salvaged a few feet along the Allagash, but the land has been raped... You can fly over this land and see the damage, bare hills and mountains, with everything cut off right down into the streams... The cedar swamps are being cut.

"Friends of the St. John quote figures as to the annual productivity of the lands that would be inundated. Once the lumber companies cut over a piece of land it’s going to be a good many years before anything will grow big enough to cut again. And as for those lumber jobs providing wages and Maine products, virtually all of the land is managed by Seven Islands Land Company for absentee owners. The timber is sold as stumpage, about 90 per cent of it to Canadian contractors located in St. Pamphile in Quebec and other locations across the border, who use Canadian help and Canadian vehicles to haul the lumber off to Canada. There’s no economic benefit to this area. Even the checks for stumpage go to an office in Bangor."
Quotes (continued)

Arlen J. Large, a staff reporter for the Wall Street Journal, writing in the July 25 edition of that newspaper in an article entitled "An Aswan Dam For Maine":

"Mr. Jalbert thinks the floods are getting worse because of intensive logging that denudes the hillsides and causes an excessive run off of melting snow. I'd like to see the riverbeds protected against cutting, but I don't think that will happen," he says. "So the only alternative is the Dickey Dam."


"Many of the outdoorsmen in this area say the increased logging and the use of the skidder are having a profound effect on the environment.

"The big wheels of the skidder rip out the underbrush and the machine tears down smaller trees as it pushes and drags. Most importantly, the increased efficiency means that whole hillsides are being cut down.

"The result is that the watershed does not have the ability to absorb water, particularly in the spring run off, and the result is flooding. The unshadowed snow melts faster, compounding the problem. And unshaded brooks no longer produce trout, which need cold water.

"The soil on the unprotected hills washes into the rivers. Ash Peasley, the state forest ranger in the Allagash region, says the once-clear rivers run brown now in the spring."

Great Northern was mentioned in the article as a landowner on a harvesting operation visited by Mr. Kifner.

Dana McNally, owner of McNally's Sporting Camps in Aroostook County, as quoted by Bud Leavitt in his column in the August 30 issue of the Bangor Daily News:

"The change to modern lumbering from the days when they cut and used horses, built no all-season roads, took only the spruce, fir and pine of 14 inches diameter compared to the present practice of taking everything standing from the beech on the top of the ridge to the cedar in the river bottoms with skidders knocking down and mauling over just about everything not cut. Then comes the job of hauling the product over beautiful gravel highways spreading in all directions, leading me to conclude this all may be too drastic for the deer's survival."

Peter M. Bourque, fishery biologist, writing on "The Aroostook" in the summer issue of Maine Fish and Game, publication of the State Department of Inland Fisheries & Game:
Quotes (continued)

"Pulp driving brought on additional problems. The early 1950's saw entire lengths of tributary streams bulldozed to facilitate driving. Most of these were never restored. Bulldozing eliminated bank cover, resulting in warmer water and a reduction in terrestrial insects that fall from over-hanging vegetation, providing major portions of food for brook trout and young salmon. Channel alteration destroyed aquatic insect populations; silted gravel spawning areas; eliminated protective cover -- large boulders, logs, and debris -- and eliminated pools by filling and leveling the streambed. The straightening of the streambed contributed to faster runoff and lower summer stream levels. All these changes virtually transformed tributaries from prime brook trout habitat to shallow, warm, minnow habitat. In addition, bulldozing of haul roads to the stream's edge and preparation of pulp landings on the streambanks generally caused increased silt loads and high turbidity of stream water.

"With an increased need for lumber and fiber, larger timber-harvesting operations are in full swing on the upper portions of the Aroostook watershed. Additional miles of road, coupled with heavier cuts and the use of mechanical skidders, have contributed to siltation problems on many of the smaller streams and some lakes. Faster runoff and warmer water can transform a trout stream. Careful management in all aspects of timber harvesting will help insure trout streams for the future."

ANOTHER TIME, ANOTHER PLACE

In Augusta, September 3, we heard another story. The occasion was an information meeting held by the State Department of Conservation to bring people up to date on the joint federal-state study of the East and West Branches of the Penobscot River.

"Great Northern has done and is doing a good job today of managing the watershed," Thomas J. Cieslinski, supervisor of Research and Planning and the state coordinator for the river study, told the more than 50 landowners, conservationists and representatives of state agencies who turned out for the four-hour session. Joining me and representing Great Northern were Paul Firlotte, power systems manager, and L. W. Hazelton, planning and development director for the woodlands department.

No representative of the federal agencies involved in the study participated in the Augusta meeting.

After opening remarks by Conservation Commissioner Donaldson Koons, the meeting was run by Cieslinski. He briefly covered the laws and guidelines governing the study under the National Wild & Scenic Rivers Act, reported on the Augusta informational meeting, presented a 35 mm slide show illustrating what the study teams found on the river, reported on the designation of different stretches of the river for study and answered questions. The designations (mostly wild and scenic) the same as reported in our memorandum of August 1, except that the "Scenic" category below Ripogenus extends all the way to Ambajejus Lake.
Another Time, Another Place (continued)

The economic impact study being made by Professor Whittaker of the School of Forest Resources at the University of Maine for the U.S. Bureau of Outdoor Recreation covers a quarter of a mile of land on each side of the waterway.

The next move under an accelerated timetable for the project will likely come from the federal lead agency, the BOR. We can expect a request within a few weeks for a meeting when their thinking will be outlined to Great Northern. It appears they are considering an entirely new concept of state-private (GNP) management. We hope to have additional details as they are developed in Philadelphia.

In Augusta, Cieslinski said that he sees "very little sentiment toward a land acquisition program." One reason could be that several land acquisition programs requiring federal funding are bogged down in Congress and have the support of strong Western delegations.

Norman Drew of Senator Hathaway's office attend the meeting and lunched with the GNP group. He and others expect the state to move to take the lead in the project.

Public Lots

Several weeks ago, Great Northern's management asked the state for suggestions on ways to solve the "public lots" issue. This week Dick Barringer, the director of the Bureau of Public Lands, said an answer can be expected in a matter of days. He is hopeful that the state proposals will lead to a solution of the problem.

Public Relations

We provided Bob Cummings of the Portland newspapers with two photographs of GNP mechanical harvesting equipment. Bob requested the photographs during the Augusta hearing on the Penobscot. He recently visited the operation during the Society of American Foresters tour. Bob said he had seen both the Scott and GNP mechanical operations and personally viewed the Telos strip cutting method as the better of the two. The reporter also said that two public foresters (a LURC staffer and a State Planning Office staff member) said they thought the GNP approach was the best method of harvesting in the Telos area. We also offered to help Bob with providing any additional facts needed for a story he plans.

Arrangements were made for a producer from the New England television program, the "Good Morning Show", to visit the Pinkham Lumber Company plant and the Pinkham logging operation September 12.

We provided Dave Bright of the Bangor Daily News and Lucy Martin of the Maine Times with information on the West Branch region during the Augusta hearing.
Public Relations (continued)

With help from Bart Harvey of the Woodlands Department, arrangements were completed for a visit to Telos, September 13, by John DiMatteo, executive vice president of the Gannett newspapers in Portland, Augusta and Waterville. With him will be the president of the Casco Bank and a vice president of the Booth newspapers in Michigan.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b

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J. R. Adams
R. W. Currier
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W. E. Lloyd-Cedar Springs
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R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn
G. E. Veneman
Mr. Robert J. Shinners  
Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs Newsletter for the week ending September 13, follows:  

THE UNIVERSITY ASKS A QUESTION  

What are we doing we shouldn't be doing and what should we be doing we are not doing?  

Bruce Poulton, vice president for public service for the University of Maine at Orono, asked that question of members of Associated Industries of Maine during the organization's annual meeting September 13 in Boothbay Harbor.  

Poulton and several colleagues said they were disappointed with industry's response to UMO offers of technical assistance.  

The businessmen had few suggestions.  

It isn't a problem for Great Northern. GNP and the S. D. Warren division of Scott Paper Company are the biggest "takers" on the UMO offer of assistance. In a poll of nearly 150 companies, GNP's response was one of five in which company managers knew of all 12 services listed. GNP personnel had dealt with University faculty members in seven of the 12 departments.  

(Copies of a new listing of UMO services is attached to those in Maine on the distribution list for this newsletter.)  

Better cooperation between the business community and the University was the theme of the meeting.  

As you know, Bob Hellendale attended.  

THE WEST BRANCH STUDY  

Information from Philadelphia now indicates that the Bureau of Outdoor Recreation staff studying the East and West branches of the Penobscot River will return to Maine in middle to late October to report on their tentative strategy for preservation of the watershed under the National Wild & Scenic Rivers Act.
West Branch Study (continued)

An article on the subject appeared in the September 13 edition of Maine Times. It covered in depth the information meeting held by the State Department of Conservation in Augusta on September 4 and covered in a previous Public Affairs Newsletter. It did include additional details of the law suit filed by Maine Indians under which they claim all the land in question. Lucy Martin wrote:

"The claim is based on the question of Maine's right to sell, grant, or lease Indian lands with or without Indian consent. Right now in Federal District Court in Portland, the Passamaquoddies are battling the U.S. Secretary of the Interior's Rogers C. B. Morton on the question of whether Maine Indians are entitled to protection of a 1790 statue which says no transaction involving Indian land has validity unless the federal government consents to the action. The Indians contend Maine went ahead in the 1700s and 1800s doing out Indian land without federally required approval. Morton is contending the statute doesn't apply."

THE PAPER INDUSTRY BOOM

The State Board of Environmental Protection's thinking on two of the biggest projects in the current paper industry boom in Maine was the center of speculation in the press. The consensus was that International Paper Company may get an OK with conditions on its permit to expand the Jay mill. But St. Regis is in apparent trouble with its application and may face delays.

PUBLIC RELATIONS

With photographic assistance from Roger Boynton, we arranged a set of slides for Tom Pinkham to use in a talk on the Ashland lumber mill during the newsprint sales meeting September 10.

At our request, Pete McConnell of the Pinkham staff arranged for a September 11 tour of the mill in Ashland and a visit to the Pinkham lumber operation by a producer from the New England television show, "Good Morning!" They plan to do a segment at a later date on the forest industries.

News releases on two recent promotions were distributed to the Katahdin Journal and will also be sent to trade publications.

Bad weather forced cancellation of plans by John DiMatteo, executive vice president of the Gannett newspapers in Maine, to visit the Telos harvesting operation.

We attended the annual meeting September 6-7 of the Maine Press Association in Ellsworth. Representatives of the Bangor, Waterville, Augusta and Brunswick daily newspapers and Madawaska, Presque Isle, Caribou, Houlton, Millinocket and other weeklies attended. During a panel discussion on friction between the press
Public Relations (continued)

and the public relations people (who as associate members out-numbered the newsmen at the meeting), a Bangor Daily News reporter was critical of the paper industry for not answering the Nader report and also of Great Northern for the manner in which the final announcement was made ending the oil crisis faced by the company. We told Reporter Ken Buckley, 1) that we've answered all the questions we have had from the News on the Nader report, and 2) that they had a solid beat on the big news that GNP had found enough oil to prevent closing of the mills.

PUBLIC AFFAIRS

Charles Nelson, West Branch district superintendent in the Woodlands Department, and I met with Marshall Weibe, anti-litter campaign coordinator in the State Department of Conservation. He is trying to launch a more effective campaign to get people to carry their trash out of the back country. As a first step, he wants to get remote trash piles cleaned up. We have agreed to participate in an October 25 meeting on the subject at the University of Maine in Orono.

A donation was recommended and approved to help with the purchase of "beepers" for the emergency medical staff of the Fort Kent hospital.

Sincerely,

Paul

Paul K. McCann
Manager-Public Affairs

Distribution:


September 23, 1974

Robert J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

This week the Public Affairs Newsletter focuses on the first study ever made in Maine of public attitudes regarding the paper industry. The results are encouraging. This study also indicates we have work to do in some areas we have been overlooking.

The Paper Industry's Image

Paper companies in Maine have for years been a favorite target for criticism by newspapermen, politicians and environmentalists. Paper mills located in the state have been called the dirtiest in the country. The industry has been accused of imposing a one crop (pulpwood) mentality. Men who run the companies have been branded arrogant.

Despite the attacks, a study completed in August of 1974 by Northeast Markets, Inc., shows that the vast majority of Maine people regard paper companies as "good citizens and for the most part good managers of Maine's forest resources."

Highlights of the analysis of public opinion:

--- "More than 75% of all respondents had specific positive opinions of the industry. A majority look upon it as an essential industry to the economy that provides good jobs. The chief complaints, stronger in southern Maine, were in regard to pollution, air and (implied) water. In balance, 85% felt the industry had a positive effect."

--- "A clear majority of Northern Maine residents would be willing to have a paper industry located within five miles of their homes because of the beneficial effect on the economy. Southern Mainers were less certain and would tend to favor or oppose based upon pollution controls or lack thereof."

--- "Electronics are equally considered by both areas (northern and southern Maine) to be the highest paying industry in Maine, with paper second, among a group of six industries."
Image (continued)

--- "S.D. Warren (Scott) and Great Northern are far and away the two most highly recognized paper firms operating in Maine. Yet, while Southern Maine people are familiar with Great Northern, Northern Maine people are substantially less familiar with S. D. Warren."

--- "A clear majority feel that the paper companies have been either generous or reasonable in allowing public access and use of their lands."

--- "The level of expansion planned by paper companies is a big unknown, or misconception to all but a handful of mostly Northern Maine residents. Over 40% have no idea, and another 40% set the figure at somewhere under $100 million."

--- "Nearly two-thirds admit to no knowledge about the extent of expansion into sawmill ownership by the paper firms."

--- "A clear preference is shown for expansion by the lumber and wood industry over the paper industry. More than twice as many (47%) choose lumber over paper (21%) while one-third have no opinion or don't care."

--- "A plurality of people (significantly higher in Northern Maine) feel that the paper companies are paying their fair share of property taxes."

--- "Clearly a majority of Maine people feel that jobs have priority over the environment if the two ever have to come into head to head conflict. Clearly also, most people feel this conflict is avoidable and that the two goals are not contradictory...there is a hard core minority of 35 per cent who will support the environment over economic development."

--- "Just over half the people feel the paper industry is doing a 'satisfactory' job in meeting pollution control deadlines; however, only 7 per cent feel they are doing a 'very satisfactory' job."

--- "Half feel the forests are not being depleted by overcutting."

--- "A clear majority feel that some land should be set aside and protected from harvesting. A near majority (49%) of those who feel this way think the amount should be 16-30%.

Northeast Markets conducted the survey for the Paper Industry Information Office. It's the first time such a study has ever been undertaken in this state. Northeast (NorMark) is regularly used by Maine newspapers (Maine Sunday Telegram), state government (the State Planning Office and Land Use Regulation Commission) and national organizations (Roper). The study included 394 randomly selected households...198 in the First Congressional District or the southern portion of the state and 196 in the Second District or northern Maine."

What does the study tell the industry?
Image (continued)

There has got to be a better job done of telling the story of the industry's growth in Maine as well as explaining the needs of society for both lumber and paper.

The feeling that the industry is talking more about pollution than it is doing about pollution has got to be countered. Very few persons feel an all-out effort is under way.

While we came out with generally favorable readings on questions relating to forest management, there are problems:

1) People want to hear about conservation practices and improvements in forest productivity.

2) There are a surprising number of people who want to see substantial amounts of land set aside where no cutting would be permitted.

3) If, as the report suggests, we counter the second point with information on the recreational opportunities offered in a commercial forest, will we not be creating new management problems in dealing with increasing numbers of visitors?

Copies of this report will be available to GNP managers as soon as it is reproduced.

PUTTING THE INFORMATION TO WORK

The public opinion poll will highlight the first issue of a newsletter to be published starting in a week or ten days by the Information Office. The newsletter will go regularly to federal, state and local government officials, conservationists, newsmen, businessmen and others. The first edition will also include stories on the spruce budworm problem, the Androscoggin cleanup campaign, Project Independence, S. D. Warren's Tree Farm program, and personalities in the news (a new president for GNP and a new head for IP's operations in the state). The two-color product will go to 2,000 people. Funds for the project became available September 20 when the directors agreed to substitute the newsletter for a planned tabloid report which had been under consideration since the Nader attack on the industry over a year ago.

At a meeting in Augusta, directors of PIIO also voted to spend $1,000 on producing (with state assistance) sets of slides (12 in a set) on the spruce budworm problem. A set will be provided all member companies. Others will go to all television stations. Portfolios of colored (8x10) pictures of the budworm's impact on the forests of Maine will also be produced. The material will be mailed in two or three weeks. The set of slides should be good for service clubs, personnel meetings, etc.; the set of pictures for office conversations, field trips, etc.
THE ATTORNEY GENERAL SPEAKS OUT

Attorney General Jon Lund on September 18 at Presque Isle spoke out against the Lincoln-Dickey power project and kicked up a political storm. Earlier Lund, considered by many one of Maine's leading environmentalists had written President Ford, suggesting that the $800,000 Congressional appropriation for planning the project be held up. The Attorney General was speaking only for himself, Governor Curtis said the next day in a telegram to the President. Senator William D. Hathaway charged Lund "misused his office and abused the interest of Maine citizens with this unwarranted intrusion into a matter of no concern to his department." Lund countered he had every right to speak up and said Hathaway was over-reacting. Lund testified at a hearing held by the New England Corps of Engineers on the entire St. John river basin's needs. Dickey-Lincoln, however, was the main topic of discussion. Representative John Martin of Eagle Lake included in the discussion a suggestion for a study of the Fish River watershed and of timber cutting practices in the St. John Valley.

AFI TOURS

Great Northern is cooperating in two tours of Maine forest lands planned this fall by the American Forest Institute. The first for representatives of the national news media will be September 22-24 with a visit to the Telos mechanical harvesting operation on the final day. The second will be October 2-4 for staff members of Congress and members of Congressional Committees with another visit to Telos on the final day. Before coming to Telos, the groups will visit small woodlands in southern Maine, the S. D. Warren mill, the Saunders Brothers wood turner mill, the Beaudry plant at Greenville and hear from Scott and International Paper Company representatives at Squaw Mountain.

GARTLEY VISITS MILLS

With a camera crew from the American Broadcasting Company in tow, Democratic Congressional Candidate Mark Gartley visited the Millinocket mill September 19. He is a former North Korean Prisoner of War. He grew up in Greenville and worked summers in the woods for GNP. During a hand-shaking visit to the East Millinocket plant, he suggested that industry get busy writing a timber practices code or the "Sierra Club will do it for you." He will return in October to meet GNP managers.

PUBLIC RELATIONS

We answered questions from the Katahdin Journal regarding an EPA announcement that the deadline for the start-up of the East Millinocket mill clarifier was being postponed.

A release was made to WMKR on plans to lower the water during repairs to Weldon Station.

Three releases were issued on personnel changes and promotions.
Public Relations (continued)

Promotional material and maps on the State of Maine were provided Dick Colburn who had requested such materials to use in recruiting.

In Augusta, we had breakfast with Independent Gubernatorial Candidate Jim Longeley.

**PUBLIC AFFAIRS**

In Augusta, we met the new executive director of the Land Use Regulation Commission, Dick Billings, in the office of Conservation Commissioner Donaldson Koons.

Robert Rose, the Washington-based press secretary for Senator Muskie, was in Maine this week. He and the Senator's staff assistant on energy matters had been visiting at the University of Maine with Dr. Harold Young of the School of Forestry.

Sincerely,

Paul K. McCann
Manager-Public Affairs

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D. J. Krohn  "  "
G. E. Veneman  "  "
Mr. Robert J. Shinners  
Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs newsletter for the week ending September 27 follows:  

**THE BIG NEWS: A GREEN LIGHT**  

This week's big news was the approval by the Board of Environmental Protection for International and St. Regis paper companies to go ahead with major expansions of mills in Maine.  

There had been speculation the St. Regis application might be rejected. It was approved 5-2 and the IP permit was granted by a 7-1 vote. Conditions were attached to both. News reports indicate both mills were ordered to burn fuel oil containing not more than 0.7 sulfur. IP had proposed using 2.5 per cent sulfur; St. Regis one per cent sulfur oil. St. Regis was also ordered to do additional testing and submit additional plans in the areas of erosion control during construction, the impact of drawing down water from three lakes and the discharge of heavy metals and mercury in waste water.  

IP plans to spend $140 million at Jay, St. Regis $85 at Bucksport.  

Only Orlando Delogu, a University of Maine law professor, voted against both permits. He is having difficulties getting the Executive Council to approve $4,369 in travel expenses he ran up commuting from Europe to participate in the BEP hearings on the Pittston oil refinery. His term expired months ago but Delogu is serving until a successor is named.  

This week the board also got a new member to replace Conservation Commissioner Donaldson Koons. Governor Curtis nominated retired University of Maine Professor Irwin B. Douglass of Orono. His field is chemistry and he has been regarded as an expert in the field, particularly in problems of the paper industry. He was first suggested for the board a couple of years ago by Associated Industries of Maine.
**Bill Cohen Talks Budworm**

Congressman Bill Cohen campaigned in the Millinocket area. In addition to the usual (greeting employees at the Millinocket mill entrance), he also was briefed on the spruce budworm problem by Woodlands Manager R. W. Currier.

If the forest industries have problems insofar as federal participation in a budworm control program, Cohen is ready to help. He suggested the best way to put pressure on the bureaucrats is to have a meeting with the entire Washington Delegation in Washington with the federal agencies involved present and on the spot, if need be.

(Senator William Hathaway has written Senator Bible of Texas asking $5 million for the Maine spraying project be included in the first supplemental budget. Bib has not as yet responded. There are indications Hathaway feels industry participation in the funding is going to be important. Hathaway does not feel there is a need at this time for a meeting of landowners from Maine with the Congressional Delegation.)

Cohen was accompanied by three candidates for the Legislature--Walter Birt of East Millinocket and Dorothy Laverty of Millinocket, seeking House seats; and Gary Robinson, Sr., Milo, who seeks the Senate seat (District 31) held by Wakine Tanous. Robinson is a worried man. He is in the wood harvesting business and Diamond International (his prime customer) is cutting back on its purchases. Robinson says it has happened before but a slackening in demand means difficult days.

**On the West Branch**

This week the Northeastern Regional Office of the U.S. Bureau of Outdoor Recreation asked for a meeting October 8 in Millinocket between Director Maurice (Red) Arnold and GNP representatives. Red will bring with him the "range of alternatives" which have been developed as a result of the study ordered by Congress of the East and West branches of the Penobscot River for possible designation under the National Wild & Scenic Rivers Act.

In the August issue of the Northeast Outdoor Memo, published by the regional BOR office, three pages were devoted to the study which "is expected to take about a year at which time the task force will forward its report and recommendations to the Secretary of the Interior." The report was complimentary on Great Northern's harvesting practices which have protected the beauty of the river corridor. In the September issue of the Maine Sportsmen, Fern Crossland Stearns wrote "...some people have commented that government controls of the river seem unnecessary since private ownership has thus far kept most sections of the river in a wild state. Others, though appreciative of this, and of the fact most private owners graciously allow access to the river, realize that sometimes policies can change overnight, particularly under leasing arrangements." She and her husband, Bill, are outstanding canoeists who have participated in the study as guides.
West Branch (continued)

On September 23, Woodlands Manager Ralph Currier, Power Systems Manager Paul Firlotte and I met with Professor James Whittaker of the University of Maine and a graduate student, William Lilley, at Orono. Jim is doing (under contact from the BOR) a study of the economic impact of designation of the Penobscot as a national wild and scenic river. Lilley, a Georgia-Pacific forester on leave to attend the university, is assisting him. Firlotte outlined the GNP hydro-electric system and answered questions on this subject. Currier covered the woodlands portion of our discussion. Whittaker had just received (and we are being provided a copy) from the U.S. Forest Service their recommendations on management of the basin. They want additional information on ownership, woodlands road system and other data which is already in the process of being compiled.

Woodlands' Tours

The American Forest Institute traditionally sponsors a fall trip for the national news media. This year AFI has added another tour for members of staffs of Congressional committees and staff members of the House and Senate. Woodlands Manager Ralph Currier, September 24 welcomed the press group to Telos where they lunched and also viewed the mechanical harvesting operation. The participants in the tour included the New England bureau chief of Business Week, the editor of the Berkshire (Pittsfield, Mass.) Eagle, the editor of the New Englander magazine, a writer for Construction Specificer Magazine in Washington, D.C., a writer for WGBH TV in Massachusetts and free lancers from New York and Pennsylvania. The Business Week representative (Gordon McKibben) is considering a piece on the Maine paper industry boom and the historical background behind it. The second tour will bring another group to Telos, October 4. It will include 18 or 20 from Washington.

New England Council

Robert Haskell, president of Bangor Hydro-Electric Company, September 27 received the annual "Son of Maine" award presented a business leader by members of the New England Council. The award presentation followed a tour of the Diamond International plant at Old Town. Diamond's chief executive, Richard Walters, presented the award. Haskell is a member of the Diamond executive committee. William Bullock, chairman of the Maine section of the NEC, plugged for public appreciation of the state's growing pulp and paper industry in a talk at the dinner.

Public Relations

Questions regarding Great Northern-Baxter State Park Authority dealings in the Togue Pond area from the Katahdin Journal were answered. The Fin & Feather Club has launched a petition drive to convince GNP not to make any more land available for the park. The sportsmen contend it limits their right of access. GNP has agreed to transfer a lease now held by the owner of a sporting camp to the park -- if the park buys out the owner of the camps. Now it appears Baxter can't make the deal. When our statement was distorted in the newspaper, we protested.
Public Relations (continued)

Three releases on promotions were sent to the Millinocket newspaper, WMKR and the Bangor Daily News.

A Bangor Daily News Reporter from Madawaska is seeking industry's side of the bonded labor issue. He called Pinkham Lumber Company's Mike Collins with questions. They will be handled by Henry Deabay, the Woodlands Department's personnel supervisor.

We provided the East Millinocket correspondent of the Bangor Daily News with information on the Weldon Station repair project which has resulted in lower water levels on the Penobscot River. A picture appeared in the newspaper.

PUBLIC AFFAIRS

Stan Leen, a Brewer millionaire businessman, who is running for governor as an independent (he is one of three), came to town September 26. He is obviously having a good time but has little chance of making an impact on the electorate. Leen had heard of our luncheons for managers with the Republican and Democratic candidates and asked for a similar opportunity. We provided it. His thoughts on the need to get more business education incorporated into school systems perhaps were as important as any points made during the discussion. Leen's companies have long done business with GNP.

We represented GNP at a meeting at the University of Maine in Orono on backcountry litter problems. A survey of trash in remote areas by the Keep Maine Scenic Committee led to the meeting involving state agencies, conservation groups, companies owning and managing land (Seven Islands, Scott and Diamond were also represented) and others concerned over the problem. While the group never really defined the problem area, it is likely that we will see 1) some cleanups, 2) designation of waste disposal areas for public use in the forest lands, and 3) revival of the forest fire permit as a device to control people. The permit has been watered-down, allowing people to camp without a permit if they use portable gas stoves. This has allowed them to be scattered all over the landscape. Under the fire permit law they were guided to a specific location.

At Phil Cannella's request, we have researched opinions in the industrial community on the sales tax exemption for new manufacturing equipment. This and other matters will be discussed at an Associated Industries of Maine Taxation Committee meeting October 3 in Augusta. It is anticipated also that the sales tax on residual oil will be discussed. The state's "take" has jumped as residual oil costs have soared.
Public Affairs (continued)

Arrangements were made for GNP representation at a meeting of the New England Construction Users Council in Waterville. Manager of Engineering O. J. Lombard attended the September 27 meeting. A special November 8 meeting of the group will focus on the major constructions planned in the months by the paper industry, the state and the utilities. It should provide a comprehensive view of what the construction industry faces in the months ahead.

Sincerely,

[Signature]

Paul K. McCann
Manager-Public Affairs

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Robert J. Shinners, Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs Newsletter for the week ending October 4, follows:  

**VIOLENCE IN THE ALLAGASH REGION**  

There was a new outbreak of violence in the Allagash region this week.  

It was front page news in the Bangor Daily News. The newspaper reported Canadian woodsmen "after being shot at several times" were told to get back on their "own side." The incident took place in T17 R12 -- a township west of Allagash. The operation involved was a camp maintained by Irving Companies, Ltd. Equipment was damaged. Elsewhere there were fires being set and sugar poured into the tanks of skidders.

Why?

It has been going on for years, veterans say. St. John Valley residents (particularly the "Moosetowners" from Allagash) bitterly complain about the Canadian labor harvesting wood in Maine and the fact that substantial amounts of wood is going to Canada.

This week John Sinclair, president of Seven Islands Land Company, called on Governor Curtis to investigate the violence.

**NEW PAPER INDUSTRY PUBLICATION**  

The first edition of a newsletter to be published regularly by the Paper Industry Information Office is distributed with this newsletter. The public opinion survey covered in last week's public affairs newsletter is highlighted.

Stories on the public opinion survey appeared in the Portland and Bangor newspapers. Copies have been mailed to over 1,000 municipal and state officials, businessmen and representatives of the press and broadcast media.
Publication (continued)

Reaction has been favorable, both on the poll and the newsletter. The newsletter provides the Augusta office for the first time with a vehicle to tell the story of the state's largest industry.

**THE "RIPPING" OF THE WILD REGION**

The Maine Sunday Telegram in its September 29 editions published a full page article headlined "Considerations For A Second Allagash....you too can have a voice" written by Fern Crossland Stearns, wife of the president of the Paddle & Chowder Club and a leading white water canoeist on the national scene in her own right.

Mrs. Stearns says she wrote the article "as objectively as possible -- mostly because I honestly can't make up my own mind on the matter, and partly because I think most people can make up their own minds if enough information is made available to them."

The editors inserted opinions. After a sentence in which Mrs. Stearns reported that Great Northern builds 130 miles of gravel roads annually, they inserted:

"...that are ripping open the previously wild region to anyone with an automobile."

In another place, the following was inserted:

"But those who have been fishing and canoeing the waterways of Northern Maine know what can quickly happen, especially with the introduction of a new woods road. Lakes and river sections previously inaccessible except by water...can begin sprouting camps and wilderness slums overnight.

"Put any lake with just a handful of camps and you have destroyed, for the sake of a very few, the illusion of wilderness which otherwise hundreds or thousands can enjoy, year after year after year."

The quote, Mrs. Stearns says, was "entirely the editors, not just a rewording of something I wrote. Whether I agree or disagree with it is irrelevant -- I don't like seeing something I didn't write with my name on it---without permission." She plans to protest.

Mrs. Stearns explained the matter in an unsolicited letter to Paul Firlotte, power systems manager, who made the canoe trip with the Wild & Scenic Rivers study team led by Mr. and Mrs. Stearns.
**Woodlands Department Public Affairs Program**

A public affairs program is being developed for the woodlands department. We discussed ways to implement the concept this week in Fort Kent with District Superintendent Wilmer Saucier and at Ashland with District Superintendent Orville Tripp and Hank Conklin, personnel supervisor for the Pinkham Lumber Company.

Our goal will be to have designated a person to report on public affairs matters to deal with government officials and the press on the local level. It will be launched with a background training session to be held in a few weeks in Millinocket. Tripp suggested that in the Ashland area it might be well to consider making the effort an industry-wide program. The Aroostook towns are, in many cases, jointly owned. (We plan to talk with representatives of other companies.) The need for up to date information on GNP, a slide show covering the company and the need to keep field offices informed on public affairs trends also was covered in the talks.

While in Aroostook, we discussed siltation (one of the issues we are hearing more and more about) with Saucier and Tripp and saw on the ground how steps are being taken to prevent erosion.

**Public Relations**

Sarah White of Time Magazine's Boston bureau called with questions regarding the economic picture in Maine. We told her of the rising costs and shortages facing GNP in the state. She also asked about expansions and we told her of the Pinkham project and the kraft mill study. The magazine was sampling the nation's economy and a Boston banker had suggested she call some of the companies operating in Maine.

Joanna Kelliher of the New England Business Journal called with a series of questions regarding the paper industry. The magazine (a recently originated publication) is doing profiles in major industries in the region. We suggested she call the American Paper Institute with some because they were of an industry-wide nature.

Gordon McKibben, New England bureau chief for Business Week, who visited the Telos mechanical harvesting operation on the recent national press tour sponsored by the American Forest Institute, called to confirm several facts. He also asked for any old pictures of logging operations. With Bob Hellendale's guidance, we also plan to answer questions on trends in pricing and the outlook for the company in the year ahead.

Henry Deabay, woodlands personnel supervisor, met with Beurmond Banville of the Bangor Daily News Madawaska bureau to discuss his questions regarding Canadian bonded labor. Henry followed it up with a letter providing details in the interest of accuracy.
Public Relations (continued)

We agreed to co-sponsor an advertisement in the Bangor Daily News on employment of the handicapped.

Two releases on promotions were prepared for the Katahdin Journal.

In Presque Isle, we paid a courtesy call on John Bishop at the Northeast Publishing Company offices.

Radio announcements were prepared for WMKR in Millinocket urging safe driving and safe gunning on GNP roads and in the forest lands during the hunting season which started October 1 and continues through November 30.

In Fort Kent we discussed GNP's operations in northern Maine with Ed Seneff and Emery "Legs" Labbe of the St. John Valley Times, a Madawaska weekly newspaper. Fort Kent District Superintendent Wilmer Saucier and Pat Welch, environmental protection supervisor, joined us for the evening session which followed a tour of the woodlands in the area.

PUBLIC AFFAIRS

With help from Phil Cannella and Jerry Perkins, the staff of Associated Industries of Maine was provided information on the inflationary impact of the five per cent sales tax on the cost of residual oil consumed by GNP. The AIM Tax Committee planned to consider the question at an October 3 meeting. Mr. Cannella planned to attend.

Arrangements were made for Jim Longley, the independent candidate for Governor from Auburn, to tour the Millinocket mill October 10.

We talked with Dean Stanley Devino of the School of Business Administration at the University of Maine in Orono and made arrangements for him and a member of his staff to meet with Jay Bingle on October 16.

The second American Forest Institute tour brought a group of Congressional staff members to Telos to inspect the mechanical harvesting operation. The turnout dropped well below the number originally expected by AFI. Enroute to Telos, the group was briefed on the spruce budworm problem.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure
October 14, 1974

R. J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Newsletter for the week ending October 11 follows:

ON THE WEST BRANCH

Maurice (Red) Arnold, northeastern district chief of the Bureau of Outdoor Recreation (U.S. Department of Interior) and two aides came to Millinocket again October 9. They were back in town to brief a GNP group on the management and spatial concepts developed in the federal-state study of the upper Penobscot watershed. The day before in Augusta they had briefed state officials. The study, ordered by Congress under the National Wild & Scenic Rivers Act, started in July. Next will come public informational briefings in Boston, Portland, Millinocket, Augusta, and Bangor, probably in November.

The management options were outlined by Arnold, Jack Hauptman, and Frank Thomas. Included were state...state-federal...private...private-state-federal...private-federal...landowner association...land management company or independent private company...or a mixture of some or all. When they talked about "private" or a "landowner" participating, they were talking about GNP which owns 80 or 90 per cent of the land on the West Branch and a substantial amount on the East Branch of the Penobscot.

They said the watershed meets the federal criteria except for the portion from Millinocket to Medway. In terms of areas which would be regulated to preserve visual and water qualities, they said 115 miles from Seboomook to Debsconeag constitutes the main stem. If the East and West branches are linked via Umbazooksus and Webster Stream, the waterway would cover 148 miles. If the North and South branches plus other tributaries such as Lobster Lake, the Debsconeag lakes, Pine Stream flowage, Caribou Lake and Wassataquoik stream are all in the package, 314 miles are covered. The federal planners see the protection corridor extending from a quarter to a half mile, or 100 acres per mile. They pointed out that only a small portion would be recommended for purchase (11,500 acres at the most). The rest could be covered by zoning or easements.
West Branch (continued)

Winding up the session, it was agreed that the next steps in the discussions involving the BOR and GNP will require the federal agency to more precisely outline the policies and practices which would have an impact on the Company's operations. We also suggested that a look at the rules applicable to other rivers already in the system would be helpful. The federal representatives see the need for power generation as a key issue and will ask additional information and guidance in this area of the study.

Some such studies, Arnold said, have taken years. Some have resulted in the BOR recommending against designation. While this study has moved ahead on the projected timetable, final action will probably require both a state recommendation as well as Congressional approval.

**BILL CLARK'S "CONFESSION"**

Bill Clark is a Maine writer who writes a column which appears in Augusta, Portland and Waterville newspapers. He was one of the first to start advocating the cause of conservation. In recent months he has been lashing out at environmental regulation. In a "confession" he wrote October 11, he explained:

"There enters the concept of balance again. We never seem to find it. In the 1880's we had employer domination of workers. We had ruthlessness about natural resources. Now we have regulations and controls which completely stifle employer initiative. Instead of ruthless abuse of resources, we have ruthless preservation."

(The complete text is attached.)

**THE LAND USE REGULATION COMMISSION**

Hopes that the Land Use Regulation Commission was entering a period of tranquility with the passing from the scene of Executive Director Jim Haskell seem to have quickly diminished.

Charges of a "white wash" by a LURC commissioner last week created headlines. Sherwood Libby made the charge while the Commission was trying to clear up the controversy surrounding a J. M. Huber development in the Greenville area. Conservation Commissioner Koons' soon owns lots in the development. Koons, who is also LURC chairman, asked his fellow commissioner if they thought he had a conflict of interest. A majority said no. Libby, a Saco River conservationist, is a friend of Haskell.
Beyond that LURC now is apparently planning to complete zoning the unorganized territory by the first of the year. Plans now call for two or three hearings to cover the millions of acres involved. With areas within 250 feet of water pretty well "locked up" under regulations the forest industries major concern will be the number of acres proposed for deer wintering areas. The new round of LURC hearings is expected to start in November.

The same agency has scheduled a meeting in Millinocket, October 24, following a hearing the evening before on a local man's plea to be able to construct a power line across a section of North Twin Lake to a camp. The hearing will be at 7:30 p.m., October 23, at the municipal building. The LURC meeting at 9 a.m. at the Heritage.

**THE PAPER INDUSTRY: REACTION TO THE SURVEY**

In early October, the results were released of the first public opinion survey ever conducted in Maine which took stock of what people actually thought of the paper industry. (Eighty-five per cent agreed the industry has a positive influence on the state and on the lives of its people.)

While the Bangor Daily News has not yet commented, almost all other papers have editorialized on the poll.

Some quotes:

"But what industrial development people and environmentalists should keep in mind is the fact that if it comes down to environment or jobs, the people want jobs. It is hardly surprising. You can't buy fuel or appreciate the environment without income." ---Portland Press Herald

"One interesting question got an interesting response: 76 per cent of those approached said Maine could clean up its pollution and make more jobs. And if it were not possible to do both, 54 per cent replied that jobs were more important. A similar poll the year before came up with almost identical opinions. Fortunately, we are not faced with making this classic payrolls-pickerel decision. The industry is making tremendous investments in clean water. True, they came to this point sometimes reluctantly, but let's not begrudge them the efforts made and being made." ---Daily Kennebec Journal (Augusta)

"Pulp and paper is the state's largest manufacturing employer and pays the highest wages. But more of the people polled thought that the electronics industry paid the highest wages...Over two thirds of the survey group favored diversification to include lumber mills, but did not realize that five Maine paper companies are already doing that...It (the poll) showed the industry must continue to tell its story to Maine people." ---Lewiston Daily Sun
**THE POLITICAL CAMPAIGN**

Independent candidate Jim Longley and Democratic candidate George Mitchell both toured Great Northern mills last week.

The gubernatorial campaign is headed for a November 5 climax. Polls say the race is close between Mitchell and Erwin. Most politicians say the final answer continues to hinge on where Longley attracts support. Will it be at the expense of Erwin, or Mitchell?

With no presidential election scheduled, it is estimated 350,000 voters will go to the polls this year to vote for the candidates for Governor. In 1970, 325,386 voters cast ballots with Ken Curtis getting 163,138 and Erwin 162,248.

**SPRUCE BUDWORM EDUCATION PROGRAM**

The Paper Industry Information Office has distributed to member companies two tools for use in explaining the impact of the spruce budworm infestation on the state's forest resources:

--- A loose-leaf binder containing twelve color photographs and an explanatory text...

--- A set of eight 35 mm color slides with a script...

Copies of the binders are available in the Woodlands Department and in the Public Affairs office. Additional copies are on order. The slides are available from our office. The slides are being distributed to all television stations. The binders will be sent to members of the Maine Congressional Delegation.

TV stations will have the slides ready when the egg counts for 1974 are released October 21 during an Augusta meeting of forestry officials and landowners. (Financing the spray project will also be discussed at that time.) The slides will again be used at the October 23 hearing on the same subject by the Natural Resources Committee of the Legislature.

**PUBLIC RELATIONS**

In Augusta, we had breakfast with Joe DeCola. He is a producer for ABC (American Broadcasting Company) News. The network is planning a documentary on the processes involved in a state legislature --- how laws are made --- and have picked Maine as a location for the 1975 production. The documentary would be filmed during the sessions of the Legislature opening in January and aired nationally in the summer or fall. DeCola is asking for suggestions on issues and also the right to film "strategy" sessions and other "off the record" meetings. While an issue, or the issues to be followed, haven't been selected, the producer is meeting with different interest groups seeking guidance and cooperation. He met with the Public Relations Committee of the Paper Industry Information Office the evening before our breakfast and categorized them as "scared and defensive." We do not think it can be handled on an industrywide basis.
Public Relations (continued)

Advertising copy urging safe gunning in the weeks ahead was sent to the Katahdin Journal for another in the community relations advertising series.

Pinkham Lumber Company and GNP were cited as two of the four companies behind a unique Ashland high school program in the September issue of Maine Insight, the publication of the Maine Department of Education & Cultural Services. "What's unique about the program is the financing. Industry will be paying for building and supplying the logging equipment and support personnel...The rest of the money for the teacher and supplies will come from federal money, state and local sources," the story on the vocational forestry program pointed out. The district served by the school includes six towns.

GNP is contributing funds for the purchase of two beepers for the emergency communications system for the Fort Kent Hospital. A photograph of District Superintendent Wilmer Saucier presenting the check to the hospital administrator appeared in the St. John Valley Times.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure

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P. F. Yacavone
B. P. Ellen-Cedar Springs
W. E. Lloyd " "
R. K. Elston-Ashdown
R. R. Johnson-Port Edwards
D. J. Krohn " "
G. E. Veneman " "
October 18, 1974

R. J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

This week's Public Affairs newsletter follows:

THE MOOD OF MAINE

The tempo of the political campaign is picking up. Candidates are on the move. Newspapers are devoting considerable space to covering Jim Erwin, George Mitchell and Jim Longley --- the leading candidates for governor. Political advertising is consuming more television time. Radio talk shows are filled with candidates.

But despite all the drapings, the 1974 campaign hasn't as yet generated the usual sparks in the form of issues.

Polls show, and the candidates will tell you, too, that the economy is the subject most people want to talk about --- inflation and jobs in particular.

Longley, the independent candidate, is the man most associated with economy in government.

Erwin had the mantle of economy all to himself four years ago and is trying to hang on to it this time.

But Mitchell is the man who is coming on strong according to observers. The Democrat is citing the need for new social programs aimed at assisting the aging and others trapped in the inflation squeeze and the creation of new job opportunities for the people of this state.

Retiring Governor Kenneth Curtis says the next governor is going to face the same frustrations he has encountered in trying to broaden services in a state with a very limited tax base.

The latest Republican poll shows Erwin hanging onto the lead, but slipping.
Maine politics (continued)

The news is stimulating questions regarding the state's ability to provide services. The State Department of Education may have to ask the Legislature to pick up a deficit of from $9 to $17 million dollars for 1974-75 resulting from the new state aid formula. Health & Welfare may be in the red $2 or $3 million. These emergency bills will be among the first items faced by the legislators in January.

The public lots issue finally got injected into the campaign by substitutes for Mitchell and Erwin at the Maine Municipal Association convention. Harrison Richardson, representing Erwin, said he disagrees with Erwin that there should be no legislative action until the courts decide a test case brought by paper companies and large landowners who claim title to the grass and timber rights on the public lots. Said Richardson: "I don't believe the determination of the court suit has anything to do with the basic issue, which is the public reassertion of its rights to these lands which are our great heritage." State Rep. Neil Rolde, D.-York, said he wasn't sure where Mitchell stood on the lots issue, but he blasted Erwin for "suppressing" a legal study of the public lots by Assistant Attorney General Lee Schepps.

Election day is November 5.

WEST BRANCH HEARINGS

Frank Thomas of the Bureau of Outdoor Recreation reports on a series of public informational hearings planned on the study of the upper Penobscot under the Wild & Scenic Rivers Act:

Millinocket.........November 6, Municipal Auditorium, Millinocket, 8 p.m.
Augusta............November 7, State Office Building, Room 15, 1 p.m.
Portland............November 7, (time and place to be set)
Bangor.............November 7, Bangor High School, 8 p.m.
Boston.............November 8, J. F. Kennedy Building, Room 2313, 1:30 p.m.

IN THE ALLAGASH AREA

This week the St. John Valley Times published an article by a leader of the St. John Valley Woodcutters Association saying a "great deal was accomplished" when federal officials met with him and other local people recently at Fort Kent. His letter was critical of the woods industry for the way harvesting was taking place and rebutted contentions that Maine men do not want to work in the woods: "This is very untrue, because there is no other work in this area." The group is considering legislation for the next session in Augusta.
LUMBER INDUSTRY SLUMP MAKES HEADLINES

The closing of the Beaudry Lumber Company mill at Greenville leaving 180 workers idle, followed by the laying off of approximately 200 workers at a Bingham veneer plant made headlines this week in Eastern Maine newspapers. A union leader was quoted by the Bangor News as saying the building business is "going to blazes; it is really lousy." The next day Diamond International denied it was holding up on opening of a new stud mill as was reported in the story.

PUBLIC AFFAIRS

Information was requested by Representative Walter Birt of East Millinocket on the impact of the five per cent sales tax on GNP residual oil costs during the past year.

Republican State Senate Candidate Gary Robinson of Milo visited with Company officers. He is a pulpwood contractor for Diamond International Corporation.

With J. R. Bingle of the GNN staff, we visited the College of Business Administration at the University of Maine in Orono and met with Dean Stanley Devino and Professor Guervac Alpander.

With F. C. Morrison, we visited the offices of Seven Islands Land Company in Bangor to discuss leasing policies with Allen Leighton, the company vice president in charge of leasing and recreation programs.

PUBLIC RELATIONS

A release on GNN earnings for the third quarter was distributed to the Bangor Daily News (and it appeared virtually as submitted and on schedule), the Portland Press Herald, radio station WMKR and the Katahdin Journal.

Photographs of logging in the Maine woods in the "old days" were provided Business Week Magazine at the request of the New England bureau chief who is planning an article on the subject.

Sincerely,

Paul K. McCann
Manager-Public Affairs
October 28, 1974

R. J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending October 25 follows (expanded to preview briefly the upcoming session of the Legislature):

ON THE HORIZON: THE LEGISLATURE

Once the cast has been determined by the results of the November 5 elections, interest will focus on the 1975 session of the Legislature. A lot of what will happen in Augusta between January and July will necessarily depend on who occupies the Governor's chair and to some extent on the political makeup of the Legislature. But even at this point, there are issues developing.

Finances - Outgoing Governor Kenneth Curtis says this was the most frustrating part of his eight years in office: the state's slim financial resources curbed his instincts to initiate needed new programs. The next Governor is going to have the same problem. Veteran staff members of the Legislative Finance Office say inflation will allow the state to get by without levying a major new tax if there are no major new programs. In recent weeks, however, both the state departments of Education & Cultural Affairs and Health & Welfare have reported they face budget over-runs. The new state aid formula designed to split the cost of education between the state and local governments is costing more than was expected and before the end of the fiscal year in June may require an additional $17 million. Health & Welfare may need another $2 or $3 million. The road building programs of the State Department of Transportation which depend on the gas tax and hard-to-get-passed bond issues are in trouble and face cutbacks. The gas tax is fixed at a cents-per-gallon rate and not on a percentage basis as are the sales and income taxes which have been keeping up with inflation.

Taxes - The business community wants to see the five per cent sales tax formula applied now to residual fuel oil changed (tentative goal: $.25 a barrel). As the cost of oil has jumped, so has the state's "take" from this source. DOT and the contractors who build roads want the gas tax increased and to get it might be asked to share the impact by plugging also for an increase in the tax per gallon on diesel fuel sold at the pumps. There is also talk among
Legislature (continued)

business interest of getting used equipment and replacement parts covered by the sales tax exemption. This measure was approved in the last session but killed because there wasn't enough money to compensate the general fund for the loss in revenue.

Spruce Budworm - This item will undoubtedly be the major issue for the forest industries. An expanded spray program is going to require millions of new dollars in funds from the landowners, the state and the federal government. If the state decides that DDT must be used, the issue will be even more complicated --- and could end up in the courts in a last-ditch effort to halt use of the chemical by the environmentalists and some fishermen.

Environmental Control - The staff of the Department of Environmental Protection is ready to recommend that the state relinquish to local agencies some controls, including those over shoreland development. All the gubernatorial candidates are plugging for revising the state site selection law controlling new industries to be expanded to include consideration of the economic impact of a proposal, not just the environmental aspects. While the Land Use Regulation Commission may complete zoning of the unorganized territory, there is some talk of junking zoning in favor of permits over development.

Truck Weights - A new bill is being developed in anticipation of voters killing the proposal which is on the November 5 ballot as a result of the success of the railroads and others in a state-wide petition drive.

Labor - In the St. John Valley, there is talk of legislation aimed at improving the lot of the American woodsman in a market dominated now by Canadian labor. If it is filed and the rate of unemployment is high in the spring, such legislation will have considerable appeal. New efforts to expand benefits under Maine's workmen's compensation and unemployment compensation laws are inevitable.

Cutting Practices - While talk of a statewide cutting practices bill has faded in the face of solid opposition from the "little people," it is expected present statues governing erosion may be strengthened. There also could be a bill designed to limit the extent of clearcutting.

OSHA - The Director of the State Bureau of Labor and Industry in the Department of Manpower Affairs has to consider a State OSHA plan. If the differences over the issue can't be settled by the committee, Associated Industries of Maine expects a bill incorporating a state plan to be junked.
Legislature (continued)

Public Lands - If there isn't considerable progress evident early in the session, another move can be expected to reclaim for the state the timber and grass rights on public lots now claimed by the forest industries. Great Northern is seeking a solution.

ON THE WEST BRANCH

The Bureau of Outdoor Recreation of the U.S. Department of the Interior has confirmed that five informational meetings will be held in November on the study of the upper Penobscot watershed for inclusion under the National Wild & Scenic Rivers Act. The meetings will be held November 6 in Millinocket, November 7 in Bangor, Augusta and Portland and November 8 in Boston. A statement incorporating Great Northern's views on the project has been drafted for possible presentation at the hearing. Arrangements are being made to staff each of the hearings.

THE SPRUCE BUDWORM

The spruce budworm infestation was the subject of a hearing held October 22 in Augusta. The Natural Resources Committee of the Legislature is studying the matter under orders from the last special session. The subject is covered in the attached article by Bob Cummings, the staff environmental writer for the Portland newspapers.

THE PAPER INDUSTRY'S EXPANSION

The Board of Environmental Protection has agreed to reopen hearings on the applications by International and St. Regis paper companies for approval of expansion projects. IP is asking reconsideration of conditions calling for the use of low sulfur fuel, treatment of sanitary waste and weight limits on trucks serving the mill. St. Regis is also objecting to the fact that the weights of all trucks entering the Bucksport mill would have to be reported to the state. Friday news reports said pulp truck drivers would boycott the mills if the weight reporting system was retained in the DEP restrictions. The question of using low sulfur fuel was debated at a Portland hearing October 24 held by the DEP and the federal Environmental Protection Administration. The federal energy office urged "Give Maine industries an opportunity to compete." The EPA said it could approve changes in Maine's air pollution regulations only if conforming fuel (1.5 sulf oil) is not available. S. D. Warren, Central Maine Power and Bath Iron Works contend the extra cost of low sulfur oil would pose an economic hardship.
The University of Maine library asked for help in arranging an exhibit on the pulp and paper industry.

Mrs. Naomi White of Patten asked for GNP assistance in funding a Patten medical center. We asked for details in a written request which will be forthcoming in a few weeks.

Public Relations

Business Week magazine's regional editor was provided additional information on the transition in wood harvesting in recent years. A story is in the works.

The Associated Press, which is doing a nationwide roundup of the impact of drugs and alcohol on industry, was provided information from the Personnel Department on GNP's rehabilitation program.

Buster Wise, a veteran Bangor newspaper man, visited to outline a proposal asking financial support for researching a report on Blacks who have worked in the paper industry.

We provided staff assistance for Jack Gardner, assistant director of the State Department of Conservation, who was in Millinocket reporting on meetings of Land Use Regulation Commission.

A hunting safety ad was provided the Katahdin Journal...one in a series of community relations advertisements.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure

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P. E. Ward
P. F. Yacavone
Robert J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Newsletter for the week ending November 8 follows...and it was quite a week on the Maine scene:

THE LONGLEY VICTORY - WHAT IT MEANS?

With only a few votes reported, Walter Cronkite at 9:16 p.m., November 5 told CBS viewers that Maine's next governor would be independent Jim Longley.

The CBS projection was correct and in the early morning hours of November 6 Longley's historic victory was confirmed.

Voters of Maine had elected an independent as governor.

They had turned control of the House of Representatives over to the Democrats (91-59, with one independent).

Republicans retained control of the Senate (19-14).

What will it mean?

Some developments can be predicted. The Democrats, with a 27-vote majority in the joint legislative caucus will name new members of the Executive Council, a new attorney general (probably Joe Brennan, a Portlander, who lost out to George Mitchell in the primaries), and a new secretary of state (Mrs. Nancy Chandler, a party leader or Peter Kelley, who lost to Mitchell in the primary race for the nomination for Governor).

Representative John Martin, the young veteran from Eagle Lake, will probably emerge as the most powerful Democrat on the Augusta scene. He is expected to be successful in turning back a challenge from Bangor's Ed Kelleher and win election as House speaker. Martin, a school teacher who has been close to Senator Muskie for years, is now House minority leader. Reflecting the views of his constituents, Martin has over the years been at odds with segments of the forest industries on issues such as land use controls, forest management, saw log exports, Canadian bonded labor and public access --- complaining when gates bar Maine people from some areas of the north country. In the case of Great Northern, Martin has been willing to listen to the company's point of view on issues. He will make an effective leader as well as providing Northern Maine with its most powerful political figure in years,
Maine politics (continued)

If Joe Sewall survives in a recount (the Old Town senator won by only a few votes), he will probably become Senate president.

They will be working with Longley, the man who won with a simple issue -- a pledge to cut government spending. Before you look ahead, you have to look back at the Longley effort. Jim McGregor, a former United Press correspondent at the State House in Augusta, was Longley’s chief aide. Jack Havey, an Augusta agency head, was the man who directed (at no cost) the effective Longley advertising campaign. Havey coined the "Think About It" slogan for Longley. In the last few weeks he came up with the "Longley's Legion" term for the swelling ranks of supporters for the independent candidate. Beyond those two men, there were only a few visible advisors. Longley made the decisions.

Longley can be expected to look for businessmen to join his team. Governmental reform means he will have a chance to name his own men to every major department. He isn't expected to immediately throw out the Curtis appointees. The transition will be graceful. Longley is a sincere and dedicated man.

Some fear chaos as result of the upheaval. It isn't really likely with a man of Longley's caliber. Despite the fact he didn't command a majority vote (40 percent of 351,000), the people of the state gave him a mandate. They also turned out of office a raft of established politicians. While the message from Maine people isn't clear in all aspects, it is clear they want a new approach in state government.

Beyond calling for economy in government, Longley did pledge to work for industrial expansion -- the kind that will benefit Maine people.

The biggest surprise of the election (perhaps more so than the Longley triumph) was the apparent victory of 26-year-old David Emery of Rockland over First District Congressman Peter Kyros. While it will require a recount to settle the outcome, the young legislator looks like the winner. In the Second District, Congressman Bill Cohen won easily as was expected.

ON THE WEST BRANCH

Great Northern took a stand against the proposal to add the East and West Branches of the Penobscot River to the National Wild and Scenic Rivers System. We outlined the company's position during meetings in Millinocket and Augusta, November 6-7. The meetings were held by the Bureau of Outdoor Recreation of the U.S. Department of the Interior which is coordinating the study ordered by Congress. Other meetings in the series were held in Bangor, Portland and Boston.
INDUSTRY MEETING

With Bob Vivian, we attended a meeting of the public relations committee of the Paper Industry Information Office in Bangor. One concept for a tabloid reporting to the people of the state on the paper industry was discussed and discarded. We will try to come up with another which will be more candid and appealing to readers. The committee recommended to directors that a public opinion survey be taken to measure the attitude of Maine people toward the industry. In cooperation with the Maine Forest Products Council and the American Forest Institute, a new series of radio announcements are planned by PIIO. They will be built around a catchy jingle developed by AFI as part of the Forest Industries Communications Program.

TRUCK WEIGHTS: NOT YET A DEAD ISSUE

While the Maine Municipal Association has pulled out of the controversy, efforts to repeal the truck weight law are still alive. A Save Our Highways Committee has been reported collecting signatures on petitions calling for a statewide vote on the issue. Senator Graffam of Gorham heads the committee. The Senator's original requests for petitions was drawn up by a railroad official. Now paper industry sources say the Maine railroads are backing off the issue but that the railroad unions are now indicating an interest in pushing the petitions. The only reported activity of the Save Our Highways Committee has been in the Portland and Bangor areas where signatures were solicited on petitions.

PUBLIC RELATIONS

News releases on appointments resulting from the Woodlands Department reorganization were sent to the Bangor Daily News, Katahdin Journal, St. John Valley Times, Presque Isle Star-Herald, Aroostook Republican (Caribou), Penobscot Times (Old Town), Lincoln News, Moosehead Gazette (Greenville), Piscataquis Observer (Dover-Foxcroft), Eastern Gazette (Dexter), Houlton Pioneer-Times, Maine Forest Products Council News and Radio Station WMKR.

A news release covering the increase in the GNN dividend and election of Sam Casey as chairman of the board of directors was distributed to the Portland Press Herald, Bangor Daily News, Katahdin Journal and WMKR.

Jerry Harkavy of the Associated Press (Portland) called, sounding us out on the potential for doing a story on mechanical harvesting. He had heard about our operations from a member of Senator Muskie's staff. We invited him to visit Telos.

Great Northern agreed to co-sponsor a full page advertisement in the Bangor Daily News on the televised Boy Scout fund-raising auction.
West Branch (continued)

The GNP position as well as opposition voiced by the Fin & Feather Club (a group of Millinocket sportsmen) was cheered by the 150 people who attended the Millinocket session. There was solid opposition. Speaker after speaker expressed more faith in GNP management of the watershed then in governmental control.

Only a handful of representatives of federal and state agencies turned out for the Augusta session. In Bangor, the Paddle & Chowder Club favored the concept and George Carlisle of the Prentiss & Carlisle Co. opposed it. A majority of the 25 persons attending favored some kind of controls. Ten persons attended a quiet Boston session, including two representatives of the GNP sales staff who attended to monitor developments on behalf of the Company. The Portland meeting was monitored by David Sargent of Creative Associates on behalf of GNP. The session attracted 16 persons. Sargent said, "I found quite vigorous opposition" from a "group of bright and dedicated conservationists." He found they were worried "about having the feds in the picture... about increasing "people pressure" on the waterway by designating it as a wild and scenic river...about loss of value of existing leases and perhaps about the eventual loss of the leases...about attracting people onto the waterways who are not properly equipped and qualified to use them."

The attached news release covers the subject.

In advance of making public the GNP position, we talked with staff members for Senators Muskie and Hathaway and Congressman Cohen as well as with Commissioner Koons of the State Department of Conservation. The state can be expected to come up with its own plan for managing the recreational use of the river.

GNP representatives and BOR staffers will meet again during the week of November 25th in Millinocket after the Bureau provides the requested concept of a management plan.

THE FOREST INDUSTRIES' ECONOMY

A Brewer mill (Eastern) has started cutting down on its labor force as a result of a downturn in the market for its paper products.

For weeks now, Maine people have been hearing about lumber mills closing or laying off workers.

Frank Sleeper, the business reporter for the Portland newspapers, speculated this week that both the paper industry and the related lumber industry is in for difficult times.

Following publication of his column, Georgia-Pacific announced plans to halt buying wood for a week and also to close down its company harvesting operations for a week. It is understood that GP, Kennebec Pulp & Paper in Madison, and S. D. Warren in Westbrook, have cut back on one or more paper machines.
SPRUCE BUDWORM

Fred Holt, director of the Bureau of Forestry in the State Department of Conservation, told directors of the Paper Industry Information Office, November 9, that he had called a November II session in Augusta to outline final plans for the 1975 spraying program designed to control the spread of the spruce budworm. A Japanese chemical, Sumithion, now seems likely to be available for use. If so, it will avert a fight over using DDT. Few think the spray, DDT, could be approved by the Legislature. If it were approved the spray would be challenged in the courts by environmentalists. Now the question seems to be where the money will come from: Will the State contribute 25 per cent of the cost along with a similar amount from the forest industries to match federal funds? Holt says Governor Curtis has told him the chief executive is hearing objections from many people to spending public money on spraying private lands. Cost of the overall program may range as high as $13 million next year.

INTERNATIONAL TAKES A STAND

International Paper Company isn't interested in building in Maine if the Board of Environmental Protection doesn't relax the conditions it attached to a permit for the planned expansion of its Jay mill. A 15-hour Board meeting, November 8-9, in Augusta attracted 400 people. The town of Livermore Falls closed up for the day and townspeople went to Augusta to back the proposal. So did off duty union members in hard hats. IP is objecting to the air pollution standards established by the BEP and, with St. Regis, is objecting to a requirement that all incoming pulpwod trucks be weighed at the mills and the weight of the trucks be reported to the Attorney General. IP's position is the strongest yet taken before the BEP. The hearing followed charges from the Public Interest Research Group and the Natural Resources Council that BEP had been too soft on IP.

INFORMATION SERVICES

With guidance from the Woodlands Department and John Godfrey, we answered a number of questions regarding the spruce budworm situation from Phyllis Austin of The Maine Times. Miss Austin, long an advocate of environmental causes, is apparently trying to develop the facts to support a position that forest management, not spraying with chemicals, is the answer to the problem. In the opinion of one forester (and we told her this), she is looking for something which just does not exist at this time.

We arranged for pictures and prepared a news release on the awards for the outstanding timber harvesters who completed the 1974 GNP training program.

The article attached on the paper industry in Maine appeared in Business Week with a GNP photograph as the illustration.
We cooperated with the Fin & Feather Club in preparing a map showing the boundaries of the deer zones in northern Maine.

A GNN financial news release was distributed to managers, the Portland Press Herald, the Bangor News and weekly newspapers.

We assisted Tom Jones, a free-lancer who works for The Maine Times and the Portland newspapers, with identifying two pictures of Millinocket area locations --- Dolby dam and a Katahdin view.

A copy of the second edition of the Paper Industry Information Office newsletter is attached.

GOVERNMENTAL RELATIONS

Tours for State Senator candidates Charles Pray and Gary Robinson were coordinated in the final days of the campaign.

The Land Use Regulation Commission has scheduled public hearings on its draft Comprehensive Land Use Plan for December 2 at Caribou High School, December 3 at the University of Maine-Bangor (Eastport Hall), and December 4 at the University of Maine Law School in Portland. All start at 6:30 p.m. LURC last week approved a Scott plan for timber harvesting over 2,500 feet but banned the use of skidders. The Millinocket man who sought a power line to an island on South Twin Lake finally won his battle but it will have to be done with a submarine cable.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures
Robert J. Shinners, Vice President
Great Northern Paper Company
Stamford, Connecticut

Dear Bob:

Both you and I were out of state much of the week but back in Maine there were mixed trends --- encouraging news on the environmental front, discouraging trends on the economic scene. These and other developments follow in the Public Affairs Newsletter for the period ending November 23.

**Victory for IP**

"Environmental blackmail" was the reaction from a spokesman for the Public Interest Research Group (PRIG).

"A shift away from previous attitudes and, hopefully, towards a better balance," reported the newsletter for Associated Industries of Maine.

International Paper Company had told the Board of Environmental Protection it could not go ahead with its planned expansion in Jay unless conditions attached to the permit were dropped by the board.

At a November 20, the BEP decided:

IP can burn 2.5 sulfur oil rather than the seventeenths of one per cent sulfur oil originally stipulated;

IP can sharply increase the volume of particulates to be discharged into the air; and

IP will not have to weigh pulp trucks supplying the mill and report the weights to the Attorney General;

The restrictions on IP's fecal bacteria discharge into the Androscoggin River will be modified.

The decisions came as the BEP instructed the staff to prepare amendments to the licenses. The voting left only environmentalist Orlando Delogu in the minority. A formal decision will come at the next meeting of the BEP. The decision leaves the way clear for IP to go ahead with its $140 million dollar project. St. Regis will also benefit on the truck weights reversal, a condition attached to its permit for an $80 million Bucksport expansion.
STATE OF THE ECONOMY: SAGGING

The S. D. Warren (Scott) plant in Westbrook closed for a week because of lack of orders. There were indications that when the plant reopened it would be on a curtailed schedule --- a 30-hour week for employees. The plant with approximately 2,500 employees is the second largest operation in the State.

Keyes Fibre in Waterville was reported to have laid off 150 employees.

Scott dropped plans for a sawmill on the site of its new $170 million kraft mill near Skowhegan. A spokesman blamed current conditions in the lumber industry and inflation for the move.

These developments came in the wake of announcements of cutbacks in production by Georgia-Pacific at Woodland and Kennebec Pulp & Paper at Madison. The lumber segment of the state's forest industry had been hit by a series of closings and layoffs all across the state prior to the most recent paper production cutbacks.

In response to questions from the local newspaper, we reported that the Millinocket and East Millinocket mills should "continue at high levels of operation for the remainder of the year."

ON THE WEST BRANCH

A draft of a Bureau of Outdoor Recreation concept for management of the East and West Branches of the Penobscot River was received November 21. It was scheduled to be the basis for discussions in Millinocket, November 25, between GNP, state and federal representatives. The draft apparently covers 200,000 acres seen by the BOR as requiring protection for the future.

In the meantime, Congressman William Cohen asked the BOR for specifics on the Wild & Scenic Rivers proposal. The Congressman said his office had been hearing many complaints from Second District residents.

AFI ANNUAL MEETING

The American Forest Institute which is quarterbacking a $4-1/2 million public relations campaign on behalf of the Forest Industries Council (FIC) held one of four 1974 annual meetings in Boston. Others have been held in Portland, Oregon and Minneapolis. A fourth is due at Atlanta. There was a big Maine delegation. John Sinclair, president of Seven Islands Land Company, is an AFI trustee and chairman of the New England coordinating committee. Bradford Wellman, chairman of Seven Islands, spoke on capital gains taxation, defending the concept as vital to land management.

Dick Weichmann of the American Paper Institute reported the industry is devoting one third of its capital dollars to pollution abatement programs. He said through 1973 the industry had spent $2 billion. Another $1 billion will be spent in 1974. If present standards are maintained, another $7 billion will be required by 1983.
AFI (continued)

Nye Stevens, vice president of Yankelovich, Skelly & White, a leading public opinion measuring firm, said the firm's research indicates the four areas the forest industries can promote most effectively are:

1) Its management and planning strengths...already strong in the public mind.
2) Conservation...such as avoiding waste in manufacturing and energy use.
3) How reforestation works...the public needs education in this area.
4) Role in quality of life...place emphasis on industry's willingness to adapt to changing life styles.

THE PUBLIC LOTS

This week Bob Cummings of the Portland newspapers dug up details on the Great Northern negotiations with the Department of Conservation on the solution being sought to this issue. The attached story covers the subject. As you know, another session was scheduled with Dick Barringer in Millinocket during the session on the Wild & Scenic Rivers, November 25.

PUBLIC RELATIONS

With help from Central Personnel, we coordinated the travels of Sam Antupit and his associates in taking pictures for the GNN annual report.

We attended the meeting of the Northern Maine Forest Forum in Presque Isle at which Barringer was a speaker, commenting favorably on the GNP attitude on restoring the public lands to the control of the state.

We placed another in the series of land use promotion advertisements in the Katahdin Journal.

With approval, we made arrangements for a Bangor News photographer to take a picture of the B&A switcher demolished in an accident at Millinocket mill's cape siding.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure
R. J. Shinners, Vice President  
Great Northern Paper Company  
Millinocket, Maine  

Dear Bob:  

The Public Affairs Office newsletter for the week ending November 15 follows:  

**The Maine Scene**  

This was a week in which people turned their attention from politics and fixed their attention on other subjects, including:  

Opening of hearings by the Board of Environmental Protection on application by the New England Energy Company for approval to build a $754 million oil refinery at Sanford. The hearings are expected to continue through the end of the year. The NEECO bid is given the best chance yet of winning approval by BEP for construction of the first refinery in the state.  

The gift to the State of Maine by Scott Paper Company of the money-losing Squaw Mountain ski resort.  

And conclusion of the BEP hearings on the International Paper Company request that conditions attached to a permit issued for expansion of the Company's Jay mill be modified. IP is objecting to BEP directives designed to control air pollution and the overloading of pulp trucks by requiring all trucks to be registered at mills prior to unloading and the reports turned over to the Attorney General's office. Frank Sleeper, business news reporter for the Portland newspapers, commented: "If the expansion of the International Paper Company at Jay is denied, for example, by the Bureau of Environmental Protection, this could be the last expansion proposal in Maine for some time --- not because of the refusal itself but because of the refusal in combination with the slowdown of pulp and paper." Final arguments will be heard November 20 by BEP and a decision can be expected within a month.  

**On The West Branch...**  

Great Northern's management is awaiting a draft of the Bureau of Outdoor Recreation's concept of what further regulations will be recommended for the upper Penobscot.
West Branch (continued)

In the meantime, the GNP policy of opposition has won a favorable response from most people involved in the land management field in Augusta according to Lawrence Stuart, retired director of the Bureau of Parks & Recreation.

This week we outlined the GNP position and brought Millinocket mill supervisors and union representatives up to date on the issue at an industrial relations meeting. We did the same at a Kiwanis Club meeting in Millinocket.

In Bangor, we visited with staff members of Senator Hathaway ("we should be worried over jobs") and Representative Cohen (Ed Simoneau, his new district representative plans to spend a day with us later this month). George Carlisle, president of Prentiss & Carlisle, Inc., a major manager of West Branch timberlands, and Robert N. Haskell, president of Bangor-Hydro, both plan to discuss the matter with Cohen because of their interests in the watershed. Haskell says he has heard little or any enthusiasm for the project.

In the meantime, woodland managers were told at a November 11 meeting in Augusta that enough Sumithion (fenitrothion) has been located for the spraying of 3.5 million acres. That eliminates the inevitable fight over use of DDT. Fred Holt, director of the Bureau of Forestry, reports that Governor Curtis has voiced concern that the new Legislature will include a sizable group of young, new men and women who will question whether the state should pick up half the tab when it only owns three per cent of the acreage involved. The financing issue could be the first big battle of the session which opens in January.

**GOVERNMENTAL RELATIONS**

We distributed copies of the LURC Comprehensive Land Use Plan and recommended that GNP push for zoning of the river from Ripogenus to Millinocket as a development district.

The West Branch study was discussed with Burt McBurnie of Chesuncook Village who also had questions regarding Great Northern's dealings with the state regarding public lots.

**INFORMATION SERVICES**

With guidance from the East Millinocket mill staff, we answered a WMKR inquiry regarding a spectacular slasher fire.

Ken Hodsdon, Oakfield district superintendent, contacted the Houlton newspaper and generated a page one story on the Company's support of the area high school's forestry program.
ADVERTISING

At the request of representatives of the Bangor advertising firm of Dunn & Theobald, Inc., we added them to the group we are asking to submit bids for community relations advertising and graphic art design work.

Sincerely,

Paul K. McCann
Manager-Public Affairs

Distribution:

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P. I. Firlotte
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P. F. Yacavone
December 2, 1974

Robert J. Shinners, Vice President
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Office newsletter for the period ending November 30 follows:

**LEGISLATIVE DOCUMENT 1994**

"For every benefit you receive a tax is levied" --- Ralph Waldo Emerson.

This week members of the 107th Legislature gather in Augusta for orientation sessions. In addition to informally getting organized for the session opening in January, lawmakers will be briefed on state programs and issues on the horizon. One of the subjects to be discussed will be "L.D. 1994." The law "equalizing the financial support of school units" was enacted by the 106th Legislature. While the financial impact of the concept was predicted by some legislators, the full impact has become evident only in the last few months. It is going to require approximately $15 million (probably available in surplus) to fund the equalization effort in the remainder of the 1974-75 budget year.

Looking back veteran legislators say "probably only a half dozen" members of the 106th had a full understanding of the scope of L.D. 1994. They credit four men with the idea --- Senator Bennett Katz of Augusta; chairman of the legislative Education committee; John Salisbury, executive director of the Maine Municipal Association; Sewlyn Millet, executive director, Maine School Management Association; and Asa Gordon, deputy commissioner for administration in the State Department of Educational & Cultural Affairs. Writing in the June issue of The Maine Townsman published by MMA, Salisbury summed up the purposes of L.D. 1994 in this manner:

"The intent of the new education finance law enacted by the 106th session of the State Legislature was to 1) reduce the burden of education program costs in public schools which are borne by the property tax to 50% in fiscal year 1974-75 and thereafter; 2) finance the 50% property tax share through a uniform property tax applied to all communities alike; 3) finance the 50% state share from general fund revenues; and 4) to limit additional local property taxes that may be imposed for school purposes, thereby encouraging more efficient management of available resources and 5) to equalize the financial resources available to support the education of every school child, thereby affording a more equal education opportunity."
L.D. 1994 (continued)

To get this done, the new law requires a uniform statewide property tax for education purposes (14 mills times state valuation at 100%). When this doesn't raise enough money, the state will put up the rest for a city or town. When the income exceeds the state-mandated spending level per pupil, the communities turn the remainder over to the state.

In the first six months the law was on the books, school costs borne by the property tax were reduced for 80% of Maine citizens.

The complaints have come from the 71 towns with 11% of the state's population where there have been property tax increases as a result of the statewide minimum tax level. Hardest hit have been manufacturing centers such as Bucksport, East Millinocket and Jay...towns such as Wiscasset and Yarmouth with power generating facilities...all the coastal towns from Camden south where the value of land has jumped as a result of a wave of sales in recent years...and in others like York and Wells where out-of-staters own seasonal dwellings.

In the Millinocket-East Millinocket-Medway region, the impact on citizens and industry varies. Because the law provides 50 per cent of school construction funds, Millinocket, now building a new high school, about breaks even. East Millinocket is a loser and Medway a gainer. Insofar as the impact on GNP itself is concerned in the three towns, gains offset losses and balance out.

But as Salisbury wrote in discussing the law:

"The net result was to increase the total share of education costs borne by the general fund from 33 to 50 per cent."

So, when the Legislature meets in January, one of the first emergency items on its schedule will likely be a transfer of $15 million from surplus to the general fund to pick up the cost of L.D. 1994 through July 1. No funds were made available by the last Legislature for financing the new law. Two years of federal revenue sharing were earmarked for one year of implementation. Two years ago when the law was enacted some people were predicting it would force the Legislature in 1975 to raise $30 million or more in new revenues. It looks like they were right. There doesn't seem, however, any sentiment against the philosophy of the concept of equal education opportunities for all children.

On the West Branch...

We agreed to disagree with representatives of the U.S. Bureau of Outdoor Recreation at a meeting in Millinocket, November 25. The BOR's chief spokesman insisted designation of the West Branch of the Penobscot would benefit the river, the people of the region and the Company. We refused at this time to join in drafting a charter under which the river would be managed.
West Branch (continued)

Jack Hauptman, the BOR spokesman, insisted the Company might never again have such an opportunity. "What they (GNP) are doing on it (the river) now is a very good thing," he told the group which included three state representatives. He said GNP may have less options in the future. He pressed for GNP to start work on a concept --- "one that you (GNP) can live with..."

Dick Barringer, director of the Bureau of Public Lands and deputy commissioner of the State Department of Conservation, said the state was not ready to get involved. Hauptman urged a state-GNP partnership in recreation management of the river. Barringer first asked him to detail which is needed in the way of state laws not already on the books to protect the river. Until a recreation plan for the entire northern Maine timberlands is completed (in 18 months or two years), Barringer said he thinks it would be "most unwise" for the state to get involved.

Hauptman said that the agency staff has no choice. They have found the West Branch qualifies for the system. He indicated that the Bureau will go ahead with recommendations to Congress. They are now considering steps which are needed to protect the resources in the future.

Summing up the four-hour session, Great Northern is against designation. The Company will support a state recreation study of the region, including the Penobscot.

We agreed to comment in a letter to the BOR on GNP policies and state laws governing various aspects of management of the river. It is being drafted by this office and will be circulated for comments early this week. The letter will refine material I acquainted the group with at a meeting November 26 prior to their leaving for Philadelphia.

THE PUBLIC LOTS

"Great Northern breaks the ice" --- Maine Times

"Public Lots: Two-Sided Victory" --- Bangor News

Following disclosure in the Portland Press Herald by Bob Cummings that the State Department of Conservation and Great Northern were near agreement on a solution to the public lots issue, the news services quickly picked up the story. It was widely used by newspapers, on radio and television.

The News editorial called the developments a "tribute to the good sense of Great Northern Paper Company" but added a second editorial hailing Cummings as the unsung hero in the controversy. The News praised the Portland reporter for keeping an issue alive despite the fact there wasn't much public interest in the matter. The editorials are attached.
As you know, we agreed with Dick Barringer at our Millinocket meeting November 25 that we would make no additional details public until the negotiations have been concluded.

**Public Affairs**

We made appointments for you and Bob Hellendale to lunch with Senator Hathaway and visit with Senator Muskie and Congressman Cohen while in Washington, December 2.

Senator Muskie's office will provide GNP with copies of the Federal Register on a regular basis as a courtesy. (They are able to provide a limited number of free subscriptions.) It will help us answer questions regarding rules and regulations being established by federal agencies.

In preparation for the hearings December 2-3-4 on the LURC Comprehensive Plan, we distributed copies of the latest version. With Bob Bartlett and Les Hazelton, we plan to attend the December 2 hearing in Caribou. The plan is being criticized as too flexible. I am not sure it is flexible enough in all respects in the short-range.

Congressman Bill Cohen sent us copies of his letter to Director Wyatt regarding the BOR study of the West Branch. Bill said he has had many letters on the subject. Copies of the letter have been circulated to the West Branch study group.

**Public Relations**

Kim McFadden of the Environmental Action Bulletin (Emmaus, Pa.) called with questions regarding the 1975 spruce budworm spraying program. (Q: What chemical will be used? A: We don't know. It's up to the State Director of Forestry. We are trying to help him find sufficient Sumithion. Q: What about using DDT? A: That decision is up to the state. We have to brief for DDT. We are helping with the search for Sumithion. One reason we would like to see the Japanese chemical used is that it is less controversial than DDT.)

Jerry Hartgevy of the Associated Press (Portland) called with a question. (Q: What impact will the Supreme Court ruling on Mexican migrant laborers being able to establish a domicile in this country have on the Canadian labor force in the Maine woods? A: None. The Canadians in this country on bonds have a domicile in a GNP logging camp. A Canadian with a visa can establish a home anywhere he wants to live in Maine.)
Public Relations (continued)

Ernie Stallworth of the Portland Press Herald called. (Q. What impact does the Canadian plan to reduce oil exports to the U.S. have on GNP? A: The announced cutbacks cover crude oil. We import residual oil which is refined in New Brunswick but comes from the Middle East. The Canadian crude is found in the western provinces and some exported to the U.S. We see no problems for GNP in obtaining oil this winter.)

After talking with representatives of five agencies and looking over their work, we decided to retain the services of Ad-Media, Inc., Augusta, for two projects.

The story and photograph covering the GNP awards for timber harvesters and the 1974 Company training program appeared in the St. John Valley Times, the region where the debate over the subject of woods labor is raging the loudest these days. (It appeared in the Aroostook and Penobscot editions of the Bangor Daily News on November 18.) GNP is the only company on its own training men for woods work. (See clipping)

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosures
Distribution:
J. R. Adams
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G. E. Veneman
P. E. Ward
P. F. Yacavone
Robert J. Shinners, Vice President  
Great Northern Paper Company  
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending December 6 follows:

**LURC Land Use Plan**

This week the Land Use Regulation Commission held a series of hearings on its Comprehensive Land Use Plan. The hearings in Caribou, Bangor and Portland attracted a total of 150 persons. Comments were general and specific suggestions for changes few during the session. Several persons said they had not had the time to review the plan. At the Caribou hearing, L. W. Hazelton of Great Northern questioned if the plan devoted sufficient attention to the forest resource, the primary resource in the unorganized territory which is regulated by LURC. We plan to meet today at the Woodlands Department with Power Systems, Environmental Protection and Townsite departments also involved to consider recommending a GNP statement be submitted on the plan. The Commission invites such comments within 15 days of the public hearings.

**Goodbye, Mr. Delogu**

Professor Orlando Delogu, the militant environmentalist, will be replaced on the Board of Environmental Protection by Harvey Johnson of Smithfield if the Executive Council approves the nomination by Governor Curtis. Johnson is retiring as chairman of the Executive Council. Council rejected the renomination of Delogu over a year ago and he has been serving until a successor was named. Johnson, an insurance salesman, is a former lobbyist for the trucking industry and served in the state Senate.

**The Spruce Budworm**

You were among those representing companies managing timberlands in Maine who briefed the Maine Congressional Delegation on the spruce budworm problem. It appears the federal share of the money for the $13 million project is still very much up in the air as well as the availability of the chemical. The consensus was that this briefing was a worthwhile trip for all those involved.
Budworm (continued)

In Friday's edition of the Bangor Daily News, the newspaper, in an editorial written by Managing Editor Melvin Stone, suggested that the state share (50 per cent) be contributed by the paper companies. The Companies have offered to contribute 25 per cent in addition to the several hundreds of thousands of dollars collected for this purpose under the Tree Growth Tax Law. The 25 per cent contribution by GNP on a per-acre basis would be $750,000.

THE LEGISLATURE

This week legislators gathered in Augusta to plan for the 107th session opening in January.

Representative John Martin of Eagle Lake, a Democratic leader for several sessions even though he is still only 33 years of age, was nominated as House Speaker. Representative Neil Rholde of York will be majority leader. On the Republican side, Representative Linwood Palmer of Nobleboro will be minority leader. In the Senate, Senator Joseph Sewall (whose seat is still in jeopardy... he apparently won re-election by 17 votes but a recount is in progress in his district) was the Republican choice for President. Senator Gerard Conley of Portland will be the Democratic leader. As expected, retiring Senator Joseph Brennan was nominated as attorney general. The surprise of the day was the victory by Mark Gartley in the race for nomination by the Democrats as Secretary of State. The nominations will be formally confirmed by the full Legislature when it convenes in January.

PUBLIC AFFAIRS

A letter covering laws, regulations and policies under which GNP manages resources in the West Branch watershed was drafted and circulated for comment. It will be the basis for a reply to a request by the Bureau of Outdoor Recreation of the U.S. Department of the Interior.

We also released upon request from the Katahdin Journal a report on the most recent meeting between representatives of GNP, state and federal officials on the river study.

Stories and pictures reporting on promotions at the Ashland (Pinkham), East Millinocket and Millinocket mills were released.

PUBLIC RELATIONS

From John Keys of WMKR (Millinocket) and Dan Aiken of the Lincoln News came questions regarding rumors of cutbacks in production and manpower at the Millinocket and East Millinocket mills. We told both that all machines are maintaining full production and the Company has no plans at this time for cutbacks.
Public Relations (continued)

From Dennis Mills of the Bangor Daily News came a question regarding the impact of the Canadian cutback of oil exports to the U.S. His question: What impact would this move by the Canadians have on GNP? Our answer: None, as we understand it. The Canadians are cutting back on crude exports. We buy Mideast oil refined at St. John, New Brunswick.

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b

Distribution:

J. R. Adams
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E. M. Schwerin
J. H. Staples
A. J. Tozier
G. E. Veneman
P. E. Ward
P. F. Yacavone
December 16, 1974

Mr. Robert J. Shinners
Vice President-Operations
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The news of this week was dominated by the "Great Land Swap" and this newsletter is designed to bring all hands up to date on the transaction and the reaction:

"THE GREAT LAND SWAP"

Governor Curtis called it a "land exchange of historic importance to the people of Maine."

The Portland Evening Express in an editorial entitled "The Great Land Swap" said "there can be no doubt but that the paper company was brought to the bargaining table by the growing insistence of the state that the land be returned to state control."

The announcement by Governor Curtis, December 11, of the outcome of negotiations between the State Bureau of Public Lands and Great Northern Paper Company dominated the headlines in the Maine press:

Curtis Announces Wild Lands Agreement - Lewiston Journal
State Reveals Land Swap - Portland Express
State, GNP Agree on 60-Acre Public Lots Deal - Lewiston Sun
59,830-Acre Public Lot Deal Agreed - Kennebec (Augusta) Journal
GNP, State in 'Historic' Public Lots Pact - Portland Press Herald
State to Acquire Prime Parklands From Paper Firm - Waterville Sentinel
Paper Firm, State Settle Land Swap - Bangor News

Details of the press conference at which Bob Hellendale answered questions in company with Conservation Commissioner Koons and Dick Barringer, Public Lands director, are covered in the attached story.
Land Swap (continued)

Editorial reaction in addition to the Portland editorial included one in the Lewiston Daily Sun in which it was said "The Great Northern agreement is much to be preferred to the attempt of the last Legislature to create fake townships in order to terminate the cutting rights."

The day after the GNP announcement officials of Brown Paper Company discussed a solution to the same problem with state officials.

Robert Cummings, the Portland reporter who is credited with discovering the issue and keeping it alive, wrote in the Maine Sunday Telegram, December 15 that "some of the most spectacular recreational and timber growing lands in Northern Maine" will go to the state as a result of the exchange. He quotes Barringer as saying "I doubt if people really understand what is happening. We are heading towards the return of all the public lots, which makes this the most important land transaction of this century for Maine....Conversations with the companies (other paper firms owning timber and grass rights) indicate they are persuaded that the way we have gone with Great Northern makes sense from the companies' point of view as well as the state's....I think the other companies are startled that we have been able to get this far, this fast. But I am optimistic that agreements can be worked out!"

**In Augusta: Rumors & Gloom**

Governor-Elect Jim Longley is putting together his team to guide state government for the next four years. Rumors are a dime a dozen in Augusta. There are few facts. But Longley is on a talent hunt which has also taken him out of the state. As a result of governmental reorganization, almost every top state job can be filled by a man of Longley's choice. Announcements of his choices will probably start coming from the Governor-elect during the week ahead.

While most folks were talking about the Longley talent hunt, others were saying that the Governor-elect and the 107th Legislature face difficult times on the financial front. Just to keep current services funded will require finding $60 million in new revenues or readjustments in operations. The biggest factor creating the financial jam is the new Education Equalization Act (L.D. 1994). Another $20.5 million is going to be required as emergency legislation to fund this program through July of 1975.

If Joe Sewall (ahead by 12 votes) survives the recount now in progress and becomes Senate president, he will name Senator-elect David Huber of Falmouth as chairman of the Appropriations Committee which must struggle to find the funds needed to run the state. Huber is a 38-year-old Republican who formerly headed the J. M. Huber Company's operations in Maine. The Huber firm owns over 300,000 acres of timberlands in the state. The chairmanship of the Natural Resources Committee reportedly will go to Senator-elect Howard Trotzky of Bangor. Trotzky was the man who started the campaign to halt the log drives on the Kennebec.
THE ECONOMY - BAD NEWS

A Winthrop plant (Inmont Corporation) will close January 31 and 182 employees will be out of work.

Four plants in York County (West Point Pepperell, Inc., and Components, Inc., of Biddeford, Sprague Electric of Sanford, Morningstar Corporation of Kennebunk) announced plans for cutbacks in production and employment.

Approximately 175 of the 275 employees of National Sea Products of Rockland will be out of work January 10 when the firm goes out of the perch fishing and processing business.

So went the economic news of the week.

In the paper industry, Kennebec River Pulp and Paper Company of Madison planned to reopen its groundwood pulp mill December 16 and 100 employees will go back to work. They will have been idle for a week. A company spokesman said it may be two more weeks before 200 other workers are recalled.

In Jay, International Paper Company disclosed plans for shutting down the Otis Mill, December 15. It is scheduled to reopen January 6. The three-week shutdown means over half of the 300 employees will be idle. Meanwhile, in New York, IP announced plans to go ahead with $140 million expansion of the Androscoggin Mill now that it has approval from the Board of Environmental Protection.

BUT 1973 WAS A GREAT YEAR!

This week the State Bureau of Labor and Industry released its 1973 Census of Maine Manufacturers. Frank Sleeper, Portland Press Herald business writer, said "Maine manufacturing was stronger in 1973 than at any time in the past 10 years....The figures prove once again that recessions come later to Maine than most other parts of the country. It's generally recognized now that the recession started late in 1973 nationally."

The forest products industry represented more than $1-billion in manufactured product value - a third of the $3.21-billion state total. Paper represented 28.3 per cent and lumber 10 per cent. The paper industry paid out $156 million in gross wages to 16,455 workers--an average of $9519. Transportation equipment (including the Kittery Naval Shipyard) had the highest average gross wage of $10,255 for 10,363 people. The statewide average for the 104,000 manufacturing workers was $7,050. The Millinocket area (including East Millinocket) had the highest average gross wage in the state...$11,951. Only Kittery at $11,314 also had an average gross wage in five figures.
PAPER INDUSTRY OFFICE NEWSLETTER

Great Northern's position opposing the designation of the West Branch of the Penobscot River as an addition to the National Wild & Scenic Rivers system is among the items highlighted in the December issue of the Paper Industry Information Office newsletter. The new publication (this is the third issue) is going to 1,200 state and local officials, county commissioners, businessmen, press, radio and television people and others on the Maine scene. (A copy is attached)

The annual meeting of the office will be held January 16-17 at the Howard Johnson Red Coach Grill in Portland. Corporate officials will be invited to hear a discussion of the issues facing the industry in Maine.

PUBLIC AFFAIRS

Although newsprint prices have far surpassed the levels at which producers have said they could afford to expand capacity, expansion remains limited, a U.S. Senate study said December 8. At the request of John Staples, we asked Al Gamage of Senator Hathaway's office to obtain a copy of the study for GNP review.

In Augusta, we had breakfast with Inland Fisheries & Game Commissioner Maynard Marsh who says he expects the Baxter State Park Authority to seek GNP assistance (once a study is completed) on harvesting the wood in the blowdown in the park and adjacent areas.

We invited Senator-elect Charles Pray of Millinocket, Representative-elect Dorothy Laverty of Millinocket and Representative Walter Birt of East Millinocket to a luncheon at the Guest House, December 20, to discuss matters of interest to the Company and the legislators.

A Soils Conference will be held at the University of Maine in Orono, January 20, as a cooperative effort of the School of Forest Resources and the Land Use Regulation Commission.

PUBLIC RELATIONS

From Gordon McKibben of Business Week (Boston bureau) came two questions: Q. Has GNP cut back on production? A. All 17 paper machines in the Millinocket and East Millinocket mills are running on full schedules. Q. Has the economic slump forced GNP to abandon plans for the proposed kraft mill? A. The feasibility study is going.

From the Katahdin Journal came a question regarding the announcement that the Canadians are considering cutting back on oil exports: Q. Will it have an impact on the local mills? A. No, the Canadians are talking at this time about curbing crude oil exports. We buy Mid-East oil refined in New Brunswick.

Sincerely,

Paul K. McCann
Manager-Public Affairs
December 20, 1974

Mr. Robert J. Shinners
Vice President-Operations
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs Office newsletter for the week ending December 20:

MEETING WITH LEGISLATORS

In company with Jim Adams, Ralph Currier, Fred Morrison and Lynwood Hand, we entertained Senator-elect Charles Pray of Millinocket, Representative Walter Birt of East Millinocket and Representative-elect Dorothy Laverty of Millinocket at a December 20 guest house luncheon. We brought them up to date on the public lands transaction, the budworm problem, the West Branch study, and other matters of mutual interest.

GNN ADVERTISING PROGRAM

Great Northern Nekoosa Corporation will place the attached advertisement in the year-end investment roundup editions of Forbes, Fortune and Business Week magazines.

PUBLIC RELATIONS

Questions regarding a December 17 fire in the Millinocket mill came from representatives of the Bangor Daily News, WABI-TV News (Bangor) and WMKR. We told them when and where it took place (3 a.m. on No. 7 paper machine which was temporarily out of production as a result of the fire) and that no one was injured.

Elizabeth Sandler of the Presque Isle-Star Herald called to ask this Office to review a story she had obtained from Pete McConnell of Pinkham Lumber Company regarding sale of wood for export to Europe.

John Keys of WMKR called to ask comment on a rumor that Great Northern was going into the public power business and provide service for the Millinocket area. A man had called during a talk show and put this on the air. We told John that GNP had no license to sell power and had no plans to seek such a license.
Public Relations (continued)

Fred Clough of the Augusta advertising firm (Ad Media, Inc.) visited the mills December 17. Ad Media will produce a series of community relations advertisements for Maine papers for GNP and a new folder and information sheets. We set a tentative deadline of mid-January for a review of drafts of the ads and the folder which will be used by several departments for sending out paper samples, as well as for recruiting and public relations purposes. After your get acquainted session with Fred, he also met with Pat Welch, Bart Harvey and Avern Danforth and was briefed on environmental projects, woodlands and products.

A Christmas Greetings advertisement was prepared for the Katahdin Journal.

We agreed to underwrite the production cost of a half-hour of Christmas music to be presented over WABI-TV Bangor on Sunday, by a Stearns High School group. We provided slides of the mills and woodlands to be used for two messages at the opening and closing.

A news release on a woodlands department promotion was issued to the local press and trade publications.

Frank Sleeper of the Maine Sunday Telegram called with questions regarding business conditions. The Sunday newspaper is developing a story on the "state of the industry." We told him that all 17 machines in the Millinocket and East Millinocket mills were in full production with a normal work force employed. Regarding the marketing outlook (and he pointed out the fact a GNP price increase was going into effect on newsprint in January), we told him that so far our orders were holding up and we will carry some over into January. While no company can be considered "depression proof" in this troubled economy, GNP has not yet encountered the sales resistance encountered in some segments of the paper industry. Pinkham? We told him these are tough times for any lumber company but that the Aroostook County mill is still employing over 200 people and competing for available orders.

PUBLIC AFFAIRS

Ed Simeone, special assistant to Congressman Bill Cohen, toured the Millinocket mill and the Telos mechanical harvesting operation. Simeone, at this time in charge of the Congressman's Bangor office, is going to join Cohen's Washington staff in two months. The visit was his first to a paper mill and also to a woods operation.

Ellen Dayton of the U.S. Bureau of Outdoor Recreation called regarding locations of camp leases in the West Branch region. We told her that the State Department of Conservation had maps showing the leases and suggested the Bureau get a copy or take a look at the maps. The maps were provided the State for this purpose. She will do so.
Public Affairs (continued)

In Ashland we met with District Superintendent Orville Tripp and local managers for Seven Islands Land Company, International Paper Company and Prentiss & Carlisle, Inc., to plan a meeting December 28 with Aroostook legislators. We provided a set of slides on the spruce budworm infestation and biographical material on the new legislative delegation. An agenda covering several issues was prepared. Topics for the meeting will include the spruce budworm, labor, joint management and inspection work, land ownership and recreation. It is the first time this type of an approach has been taken in the region --- local managers getting together with the area legislators.

Dues for the Maine State Chamber of Commerce were approved.

From Mary Bailey and I, Happy Holidays!

Sincerely,

Paul K. McCann
Manager-Public Affairs

pmc/b
Enclosure

Distribution:

J. R. Adams  E. E. Allain
R. W. Currier  R. L. Anderson
A. B. Danforth  S. A. Casey
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P. I. Firiotte  R. K. Elston
J. R. Goody  R. H. Hellendale
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F. C. Morrison  A. J. Tozier
C. L. Nelson  G. E. Veneman
R. W. Noyes  P. E. Ward
P. P. Paul  P. F. Yacavone
T. S. Pinkham
C. H. Reed
W. A. Saucier
O. K. Tripp
P. H. Welch
To this principal component we add science, art, and business ability. In 1974, this combination created a new and proud level of success.
December 27, 1974

Mr. Robert J. Shinners
Vice President-Operations
Great Northern Paper Company
Millinocket, Maine

Dear Bob:

The Public Affairs newsletter for the week ending December 27 follows:

**THE LONGLEY CABINET**

The Governor-elect on December 25 named five members of his cabinet — four of them holdovers from the Curtis administration. The new face will be that of John D. Robinson, a Farmington banker, who will become commissioner of Finance and Administration. Robinson gets the task of putting together the austerity budget which Longley has promised will require no increases in taxes.

Reappointed as commissioner of the Department of Conservation was Donaldson Koons. The Conservation Department includes the bureaus of Forestry, Geology and Parks & Recreation as well as the Land Use Regulation Commission.

Renamed commissioner of the Department of Environmental Protection was William Adams. As commissioner, he functions as the full-time head of the agency as well as serving as chairman of the Board of Environmental Protection.

**THE SPRUCE BUDWORM**

Governor-elect Longley asked for a paper industry position paper on the spruce budworm problem. One of the first major financial decisions he must face after assuming office will be on this subject. If a spray program is going to be conducted, emergency legislation providing for state funding is traditionally required in January or February. The $3 million price tag will present problems. There isn't going to be surplus money available for this purpose as has been the case in the past. Yet the economy of the State can be dealt a serious setback if the spray program isn't conducted, keeping trees alive.