

Pacific Business News (Honolulu) - January 6, 2010

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## PACIFIC BUSINESS NEWS

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# Big Island veneer plant moves forward

Pacific Business News (Honolulu)

A Big Island forestry company plans to start construction this year on a long-delayed \$62 million veneer manufacturing plant on the Hamakua Coast.

**Tradewinds Forest Products** plans to break ground on the first phase of the plant on the site of the old Ookala Sugar Mill during the first quarter, the company said in a news release. The mill will turn the company's eucalyptus logs harvested from land owned by **Kamehameha Schools** and the Hawaii Department of Land and Natural Resources into visual-grade, strength-grade and commodity-grade veneer using an environmentally sustainable process.

A second phase will involve building a small cogeneration biomass power plant that will burn mill residuals and provide steam for running the dryers to finish the veneer products. The company has an agreement with **Hawaii Electric Light Co.**, which will buy renewable energy produced by the facility.

When it is operational in the spring or summer of 2011, the mill will create about 60 new permanent jobs among logging contractors, in addition to several dozen Tradewinds jobs.

"Not only will we generate approximately 75 local construction jobs for the next 12 months, but upon completion, Tradewinds Forest Products will create 100 permanent jobs in one of the hardest-hit economic regions in the state," said President Don Bryan. "We see Tradewinds Forest Products as a continuation of the Hamakua Coast's rich agricultural heritage, an opportunity for family wage jobs close to home and a source for badly needed economic diversification."

Construction on the mill has been delayed by financing challenges, the company said.

To get things going, Tradewinds formed a joint venture hui with **Rockland Capital Energy Investors** of Houston and **GMO Renewable Resources** of Boston.

Tradewinds also plans to work with Hawaii Community College in Hilo and the state's Workforce Development Division to create a work force development program.

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