



A.A. "Red" Emmerson

1926-

A.A. (Red) Emmerson always believed he was "just an ordinary man who loves the lumber business". That love and his deeply embedded work ethic took Sierra Pacific Industries from its beginning in 1949 as a small sawmill in Northern California, to its eventual position as the largest private timberland holder in North America. In doing so, Red has become recognized as a true leader of the industry.

Red was born in Sheridan, Oregon in 1926. His father, R.H. (Curly) Emmerson, had owned mills in Oregon and California. But it wasn't until the summer of his 8th grade year that Red had his first sawmill job at his aunt and uncle's stud mill where he pushed logs on the pond and fed the mill. He began to realize the value and reward of hard work--a value that would pave Red's way.

After graduating from high school in 1948, Red joined his father in Arcata, California and went to work at Arcata Timber Products. After noting to management that green chainers were making more money than he was working in the company's engineering department, Red was moved to

the green chain. Three weeks later, he applied for another job in the mill--ratchet setter. Although he had no experience at this tricky job, Red felt he had observed enough and knew he could do it. Besides, it paid more than the green chain! Soon after he was given the job, Red mastered all of the intricacies of ratchet setting. He learned how to recognize grades and defects in logs. Before long, he was put in the "box" to run the head rig. However, the mill soon closed due to funding problems.

Red went to work for Precision Lumber Company, starting out riding the carriage. It wasn't long before he mastered every job in the sawmill. In addition, he was able to work for the head millwright there whom Red believed to be the best he'd ever known. He absorbed all he could--learned a great deal, and built on his experience.

In 1949, Curly and Red decided to go into business together. They leased a mill and formed a partnership: R.H. Emmerson & Son. The mill had no electricity and was diesel-powered. Red sawed, mill-righted, and performed every job there was to keep it

going. After a year of successful operation, the young company began to look for other opportunities, and built a planing mill on the Samoa Peninsula in 1950. In 1951, they built a sawmill at the same site. Business was good. By now, Red had performed every job in the mill, and was running his own crew.

Following two years of service in the Marines and a stint overseas, Red married Ida Mitchell in 1955. They raised two sons and a daughter.

Through Red's leadership, R.H. Emmerson & Son prospered. Red was making most of the decisions but always conferring with Curly. In 1957, the company began purchasing timber.

In 1965, the company purchased 36,000 acres of timberland from Weyerhaeuser in Humboldt, Del Norte and Mendocino Counties. This acquisition, which also included a particleboard plant, a plywood plant, and additional logging equipment, put R.H. Emmerson & Son on the map in Humboldt County.

By the late 60's, through partnerships as well as their own acquisitions, the business had become extensive. Most of R.H. Emmerson & Son's ventures were joined into a partnership that formed Sierra Pacific Industries (SPI). The company went public, offering 70,000 shares of common stock. Red was elected president by the Board of Directors. SPI acquired new businesses, and by the end of its first year, employed 850 people.

Acquisitions continued and soon SPI had subsidiaries across the country that included companies manufacturing vinyl-wrapped moulding, pre-hung doors, plywood overlaid with hardwood veneer, soil additives, and a property investment firm. In 1972, SPI opened several retail building supply stores throughout the Western states.

In 1973, SPI made a significant transaction when it purchased its first tract of forest land east of Humboldt County---16,000 acres of

well-stocked, cut-over land. Although it was young and small, this property held a lot of merchantable timber. Managed properly it would supply wood forever. SPI's harvesting plan was administered carefully and systematically. After only the first few years, SPI foresters found that the small tress grew into merchantable size while the initial harvest was still continuing. In the late 1980's, a re-cruise through the tract actually showed that there was over twice as much timber growing there as when SPI purchased the land in 1973.

In 1974, Sierra Pacific Industries was re-organized. The company became private again and was re-structured into a streamlined version of its former self, with Red at the helm. The focus returned to lumber, and the company entered a period of great expansion during the mid and late 70's. More timberland was purchased, including 86,000 acres near Burney, as well as additional mills.

Behind Red's leadership, SPI's growth and success continued through some tough times for the industry: the "timber depression" of the early 80's and the ongoing public timber supply issue that began in the mid-80's. But there was always an ongoing, permeating sense of optimism at SPI. As noted by other company executives, "the optimism was in Red himself". Behind Red's example, SPI always made the best of adversity, was willing to assume risks, and maintained the ability to recognize opportunity and adapt to change. This attitude helped to forge the company solid through all of its challenges.

When the spotted owl became an issue in the 80's, SPI was one of the principal proponents of the industry surveying its own lands---seeking out the spotted owl---to see what habitats they populated. SPI hired biologists to help with their research. They found the spotted owl everywhere, including young growth timber of every species. Although the findings were presented to the U.S. Fish and Wildlife Service, the spotted owl was still declared threatened and endangered.

In the early 90's when the extreme environmental "California Initiatives" threatened to adversely affect the industry and actually, shutdown timber firms in California, Red was a leader in the battle for their defeat. By recognizing that the environmental movement appeared here to stay, SPI believed it was necessary to open a dialogue with legitimate environmentalists, and took the lead in trying to reach some common ground. By trying to achieve some accommodation, SPI believed the industry's credibility would be bolstered, the industry would finally gain a face, and the public would see that the issue was more than black and white. Red's influence and expertise in this environmental and political arena resulted in the media, politicians and most of the industry viewing him as a progressive leader. His opinions were sought and valued.

During this time, SPI realized that with the environmental restrictions decreasing production from its land-base, the company needed to increase its land-base or shut down mills. Some 65,000 acres were acquired in 1989-90. The company began to expand their secondary manufacturing areas with "value-added" products. Modernization and consolidation of their millwork plants allowed SPI to better utilize their own raw materials along with those they purchased. They also expanded into the window business, manufacturing "SPI" windows.

SPI's ability to adapt, be quick in meeting challenges, and willing to try new things led to some effective wildlife survey work, hopeful of gaining legislative solution. SPI's spotted owl management plan, with concurrence from U.S. Fish and Wildlife Service, allowed the company to harvest timber while protecting owls on SPI lands. It was offered as an example of how to plan and manage for wildlife species on Federal land as well as State and private lands.

Under Red Emmerson's direction, Sierra Pacific Industries, with headquarters in Anderson, California, grew to own 1.5 million acres of industrial forestlands. The company's manufacturing operations in

northern California, including 13 sawmills, modern millwork and wood window facilities and six electricity cogeneration plants, employed 3,500 people. Red has upheld his father's philosophy of treating each team member with respect and dignity, providing them with the tools and opportunities to excel in their work. It resulted in a degree of loyalty and commitment by employees seldom seen in companies of that size.

The Sierra Pacific Foundation, established in 1979 by Red's father Curly, is of great pride to Red and his family. It grants scholarships to children of SPI employees; 150 scholarships totaling \$212,250 were granted in 1998 alone. The Foundation also supports local organizations such as Little League, 4-H and FFA, in the communities where the company operates.

Personally setting the pace for the company, Red Emmerson always ignited SPI's spirit, managing by example: "thoroughly committed to the company's success...tireless in his pursuit of being the best". Bud Tomascheski, former SPI Vice-President and Manager of the Forestry Department described Red's example in his book Sierra Pacific, A Family History: "...the four of us (company officers) were fortunate in having Red find us. We learned from him. No matter how hard we tried, we could not out-think him, nor could we outwork him. He could shame an employee into extra effort merely by his example. He was the catalyst that made his company prosper and grow. The rest of us went along for the ride."