



2055 Enterprise Parkway | Twinsburg, Ohio 44087 | Phone: 330.425.4244 | Fax 330.425.4240

Urgent Letter to Friends of the Wood Mulch Industry

Dear Friends:

It is not an exaggeration to say that the health and economic viability of the wood mulch industry, as well as a number of related wood-based industries, is threatened by unintended consequences from the push to expand the use of renewable energies instead of fossil fuels. We need a call to action of the forest products industry, because large numbers of people in Washington are ready to write our industry and our people's jobs off as dispensable.

The Biomass Crop Assistance Program (BCAP) is now diverting thousands of tons of wood fiber that was previously being used in environmentally friendly or neutral ways, such as for mulches, compost, and groundcover. It is paying to divert that material to be made into wood pellets, an industry that is largely foreign-owned, and that ships large amounts of its products overseas for Europeans to burn as fuel.

The program has taken \$2 billion (that's \$2,000,000,000.00 or roughly \$6.97 per US resident) and has used it to subsidize and redistribute raw materials away from existing markets (including mulch and compost production) and towards what the program supporters have called "the greater good," such as pellet production. This is causing major shortages of wood fiber in the existing industries that currently employ people, and is certain to cause layoffs and unemployment in the areas such as landscaping, mulch production, sawmills, and nurseries.

The Mulch and Soil Council (MSC) has, under Executive Director Robert LaGasse, asked its members to make their voices heard by Washington. "The USDA administration is looking at this as an issue of national energy policy," said LaGasse on a conference call Wednesday, March 4, 2010. He said the administrator that met with the MSC delegation was blunt, and told them that, "some parts of the marketplace are going to get hurt. You have to learn to deal with it."

The program was designed to stimulate the production of switchgrass and other products that could be grown to make ethanol and other biofuels, said LaGasse, but the problem is, by paying high subsidies for production of dry tons of wood fiber for biofuel, the program is simply switching what the resources available are being used for, from the established markets to the new and subsidized use.

"Redistribution does not create new resources in the marketplace," said LaGasse. He believes that the legislators who voted for the bill had a very modest understanding of the effects that the bill would have in the marketplace. He said, "When they hear about the jobs being lost, you get their attention."

So – what do we do about this?

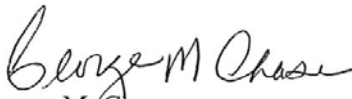
It does not appear that our Congressional Representatives and Senators were aware of how the implementation of this piece of legislation would cause the unintended consequences that BCAP is having on forest by-product users and allied industries. While the Washington politicians are there to represent the interests of the people in their districts, they can't do that if they aren't aware of the trouble being caused by their laws. **It is now our job as good citizens to inform them** of the negative effects of the BCAP legislation, and to ask them to make some changes to the program to help protect our industry.

Your immediate attention and response to BCAP is essential, we have until April 9, 2010 to be heard. Numbers count so get as many people involved as possible. PLEASE take the following three simple action steps:

1. **Download the Mulch and Soil Council's materials on this issue:** Go to the website of the National Mulch and Soil Council, at <http://www.mulchandsoilcouncil.org>. From there, select the "What's New" tab in the left column. Then, select the "BCAP Legislative Package" option and download the files. The Mulch and Soil Council has given its membership and interested communities its permission to edit and adjust the documents to personalize the letters as needed.
2. Using that information - or using your own words - write or email your Congressional Representative and your state's Senator. Some information on this is available from the Mulch and Soil Council, but there are also a number of websites that will help you identify who these people are, including the website www.congress.org. **Again, comments on this legislation are only open until April 9, 2010; we must act fast!**
3. Get your coworkers, friends and neighbors involved. The initial legislation did not generate a lot of interest, according to MSC research. Politics is a numbers game; the more voices we can get to call Congress's attention to our problems, the more attention they will pay to us.

Thank you for your time and attention; please don't wait. Make your voice heard today! Please visit our blog at www.amerimulch.com for updates on this matter.

Sincerely,



George M. Chase
Chief Executive Officer