



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

December 21, 2006

Commissioner Sandy Layman
Iron Range Resources
Co-Chair, Governor's Task Force on the Competitiveness of
Minnesota's Primary Forestry Products Industry
Highway 53 South
Eveleth, MN 55734

Commissioner Gene Merriam
Minnesota Department of Natural Resources
Co-Chair, Governor's Task Force on the Competitiveness of
Minnesota's Primary Forestry Products Industry
500 Lafayette Road, Box 37
St. Paul, MN 55155

Dear Commissioner Layman and Commissioner Merriam:

This fall, I asked you to reconvene the Governor's Task Force on the Competitiveness of Minnesota's Primary Forestry Products Industry in response to several economic factors that have challenged this vital industry in our state. In my visits to northern Minnesota and in meetings with industry leaders and stakeholders, I learned firsthand the impact of mill closings, job losses, and the decrease in demand for some timber products. The business climate has changed dramatically since the Task Force first met in 2003.

The goal of the 2006 Task Force was to develop recommendations to retain and increase the competitiveness of Minnesota's forest industry. In your report, you have identified key issues and possible responses that can be implemented administratively to address the challenges facing the timber industry today. As you are aware, we have already implemented or are in the process of implementing a number of those suggestions. In addition, we are in the midst of preparing our budget recommendations to the legislature. As we undertake that effort, your Task Force's recommendations will be carefully considered.

Commissioners Layman and Merriam

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You have also requested that I again reconvene the Task Force to continue its work, especially as it pertains to long-term strategies. Since in this report you focused on more immediate action that could impact the forestry products industry, I agree that the Task Force should meet between January and May 2007 so it can identify and make long-term recommendations. Please report your findings to me by June 15, 2007.

Thank you for your time, effort, and commitment to this very important issue affecting communities and the natural resources of our state. Thoughtful and thorough analysis by the Task Force will help us design a strategy to preserve and grow the timber industry in Minnesota.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Pawlenty', written in a cursive style.

Tim Pawlenty
Governor