



## Major iron investment

**Alberta's Pineridge Logging has invested in the future of the forest industry—to the point of buying 12 new pieces of logging equipment, including six of the new John Deere 953K feller bunchers.**

*By Tony Kryzanowski*

A sure sign that the forest industry is making its way back from dark economic times is when contractors feel confident enough to start purchasing new equipment, and one of Canada's largest logging contractors—Pineridge Logging—has recently completed a major purchase.

The LaCrete, Alberta-based company, with several logging operations throughout north central Alberta, has just purchased 12 new pieces of equipment after going nearly three years without purchasing a single piece of iron. Four of those are John Deere's new 953K feller bunchers, and the company has two more on order from Deere dealer, Brandt Tractor.

Company co-owner Jake Froese says the new feller bunchers are bigger than the many John Deere 853K's the company has in its fleet, and he estimates that they deliver about 10 per cent more production. He also described them as a more stable machine for the harvesting that they do.

"I believe that we'll get more life out of those machines because of their greater stability—it's a bigger machine, and it is built tougher," says Froese. "Operating-wise, the guys love them."

According to John Deere, the 953K feller buncher offers beefed-up engine horsepower, best-in-class accumulation, and a "cab that will make you feel like you are lounging rather than working".

The feller buncher comes with a 9.0 litre engine with standard 330 horsepower. The felling head wrist has been redesigned to triple its life expectancy. The crank and link boom allows the operator to do a better job of lining up the felling head for more accurate cutting. The saw has a fast recovery time and a patented offset disc sawblade that operates at 1300 rpm.

A new routing pattern has been designed for hydraulic and electrical plumbing, with the intention of keeping maintenance costs to a minimum. The feller buncher has a 2000-hour hydraulic oil service interval, an air intake design that filters to avoid clogging and debris build-up, and a reversing cooling fan that sheds debris.

The cab offers an optional deluxe air-ride suspension seat, a large skylight, vertical bars for visibility of the felling head, and a redesigned HVAC system.

William Froese operates one of Pineridge Logging's new John Deere 953K machines, and has 16 years experience working with different brands and sizes of feller bunchers.

"It's really operator friendly," he says of the 953K. "You can easily set it up to operate according to your ability—for example, setting the speed of the boom and stick. And it definitely is smooth handling."

Froese says the head, boom and stick design allows him to bring bunches of trees closer in. The head tilts further than past



models, which is particularly helpful when working along cutblock boundaries.

“It also has strong hydraulic power when the boom is stretched out,” he adds, “and it is a really stable machine.”

The operators at Pineridge Logging found that the bottom grab arms on the head were a bit long, so they were modified and everything seems to be working well now.

Froese says that his feller buncher goes through about 40 litres of fuel per hour on average.

In addition to the four new 953K feller bunchers that have now been delivered, Pineridge Logging also purchased two John Deere 2954 carriers with Waratah 624 processors, four John Deere 748 skidders, a John Deere 848 skidder, and a John Deere 2954 butt’n top.

“We chose the John Deere product because service is a major issue with us,” says Jake Froese. “For example, we had an overheating issue with some skidders in the past, and John Deere was right on it. They took us to the factory, and we figured out a way to solve this problem. That makes a big difference in your business if you have good service. And financing the new equipment with John Deere was attractive.”

Pineridge Logging is a partnership between Jake Froese and Peter Peters, who together also own a separate company called Peace Country Ventures. Their story is remarkable, considering that the company has grown by leaps and bounds during a fairly severe industry downturn. The owners, who have decades of experience in the forest industry, are humble about what they have achieved, and explain that they have experienced their own bumps in the road along the way.

Together, Pineridge Logging and Peace Country Ventures harvest about 1.5 million cubic metres per year. About two-thirds of that is hardwood and one-third softwood. They employ over 200 people, without counting the hired trucks.

Froese says that being able to provide trucking along with logging has given them a strong negotiating position in earning contracts over the past few years.

He and Peters are also partners in two other logging companies working in northern Alberta, Pinnacle Logging and Garden River Logging. At one time, these two companies harvested a lot of wood for what was the largest oriented strand board plant in Canada, Footner Forest Products in High Level. Then Footner, which was a partnership between Grant Forest Products and Ainsworth, closed its doors, thus creating a sudden surplus of depreciating and idled equipment for Froese, Peters and their partners. Payments still had to be made on that equipment.

Froese says they learned an important lesson from that experience. They discovered the consequences of what happens when a client closes their doors. So he and Peters put a priority on helping their remaining clients keep operating through the tough times. That has been their focus over the past three years.

“When the market hit rock bottom two years ago, it was very challenging to come up with ideas to help the mills and keep them working because the last thing we wanted to happen was for the mills to shut down,” says Froese.

The owners of Pineridge Logging also understand just how fortunate they have been with their main client being pulp producer, Daishowa-Marubeni International (DMI). They harvest about 900,000 cubic metres of hardwood per year for



DMI. Froese has a longstanding relationship with the company, having signed his first contract with them in 1991 at their High Level sawmill.

The pulp industry has had its own trials. But it hasn't faced the severe downturn in demand that producers of construction material such as softwood lumber, oriented strandboard and plywood, have had to deal with, due to reduced demand in the U.S. housing market.

Pineridge Logging is also helping to prove that one of the gutsiest moves taken in the forest industry in recent years—the decision by DMI to adopt in-the-woods chipping while shutting down its wood room —was worthwhile.

After being convinced by DMI about seven years ago to give it a try with the purchase of a Peterson-Pacific chipper, the company now operates eight chippers and a spare. It has gone from being one of several contractors supplying chips to DMI, to becoming their major contractor. Froese, who negotiates contracts for Pineridge Logging, has nothing but praise for how DMI has treated the company, adding that it is a pleasure to negotiate with them. Unlike typical logging contracts, which are for one year, the chipping contracts are for three years.

In addition to its contract with DMI, Froese and Peters also have harvesting contracts with Canfor, West Fraser Timber for their Blue Ridge operations and Ainsworth in Grande Prairie, about whom Froese also speaks highly.

He says a major reason for the company's success is his partnership with Peters. The pair met while Peters was doing some excavation work on a subdivision that Froese was building on his property. As opportunities arose in the forest industry, they became partners in log contracting 11 years ago and have proven to be a highly successful team. Froese spends most of his time in the office attending to that aspect of the business while Peters is mostly on the road, traveling from location to location, making sure that there is consistent production in all operations. They usually speak on the phone a couple of times a day. Froese says the key to their successful partnership is the trust between them.

Both men are from the closely-knit Mennonite community in LaCrete, and nearly all of Pineridge Logging's employees are Mennonites—noted for their strong work ethic and devotion to faith. For example, Sundays are time for church and family, so logging operations shut down on Saturday and resume on Monday. The company provides transportation for its workers to travel back and forth from forest camps back to the community.

Pineridge Logging foreman John Peters notes that taking a weekly break actually benefits the company, as the employees come back to work on Monday refreshed and this is reflected in their productivity.

However, the company overall is very diverse, with most of the employees for Peace Country Ventures coming from the Peace River and Grimshaw area. The company also has an office in Whitecourt for its logging operations further south.

Although they are now a huge logging operation, Froese says that wasn't their goal.

“We don't really focus on being the largest logging contractor,” he says. “If there is an opportunity to harvest more wood, we strongly consider it. One of the benefits of our company is that if suddenly someone has 100,000 cubic metres somewhere, we can move our equipment around to harvest the timber. We can move three or four bunchers in there and get the job done. That's a strong point we make during our negotiations. But we never really thought we'd get this big.”