

March 27, 2013

LIFO Accounting

Our company has used LIFO accounting for almost 40 years and a change would cause serious issues for us. LIFO allows a company to retain the working capital needed to be able to replace the same physical amount of goods that you would normally carry with new stock. Our industry in particular is facing tremendous increases in our basic product lines due to increased purchases by China, decreased production capacity caused by the housing depression and some increased demand. Prices of oriented strand board (a plywood equivalent) have more than doubled (yes, doubled) in the past year and 2x4's have increased by about 50% since January 2012. It therefore takes a lot more dollars to stock the same amount of product.

Please oppose changes in the LIFO regulations for tax purposes.

Thanks for your service and consideration.

Sincerely yours,

G. Richard Russell | President and CEO



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