



September 28, 2004

The Honorable William M. Thomas
 Chairman, Committee on Ways and Means
 U.S. House of Representatives
 Washington, D.C. 20515

Dear Chairman Thomas:

We urge you to make passage of a conference report on the JOBS bill a priority before Congress adjourns. Time is of the essence in resolving this issue. Congress has worked for more than two years on a replacement system for the current export tax provisions that have been deemed illegal by the World Trade Organization.

Our industry is significantly impacted by this issue. Exports to Europe of more than 165 wood and paper products are being harmed as a result of the 11 percent tariff that is being imposed. This tariff is rising by 1 percent per month and, absent final Congressional action, will reach 17 percent by next March.

We have numerous anecdotes of lost business opportunities as a result of the tariffs. While the strength of the euro may have initially cushioned the impact of the tariffs, the attached chart demonstrates that the rising tariff will soon wipe out any benefit to exports from the rebalancing of the dollar against the euro. If the tariffs continue into next year, some of us will be faced with making difficult business decisions of discontinuing exports of some of these products to Europe.

The bills currently waiting to be reconciled by a conference committee provide a solid foundation for a quick resolution of this issue. First, each bill lowers the tax burden on U.S. manufacturing. This is urgently needed to improve the competitiveness of our companies. Second, both bills include important provisions to help our companies expand into new international markets which will also support our domestic manufacturing operations. Finally, there are several small, but important, provisions that are long overdue to improve the tax treatment of timber.

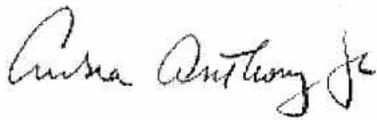
Your help in making this bill a priority for passage is greatly appreciated. We remain committed to working with you and the Administration to enact this legislation before the end of the session.

Sincerely,

W. Henson Moore
 President and Chief Executive Officer
 American Forest & Paper Association

George J. Harad
 Chairman of the Board, AF&PA
 Chairman and Chief Executive Officer
 Boise Cascade Corporation

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Aubra H. Anthony, Jr.
President and Chief Executive Officer
Anthony Forest Products Company



Raymond Royer
President and Chief Executive Officer
Domtar Inc.



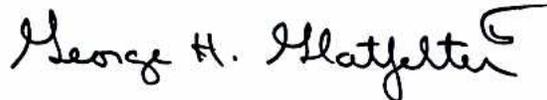
Arnold M. Nemirow
Chairman, President and CEO
Bowater Incorporated



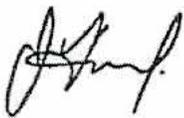
Charles M. Tarver
Chairman and Chief Executive Officer
Forest Investment Associates



A. D. Correll
President
Georgia-Pacific Corporation



George H. Glatfelter, II
Chairman and Chief Executive Officer
Glatfelter



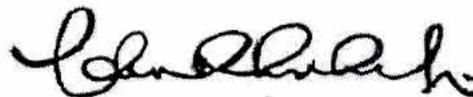
John V. Faraci
Chairman and Chief Executive Officer
International Paper Company



Richard H. Wollenberg
Chairman, President and CEO
Longview Fibre Company

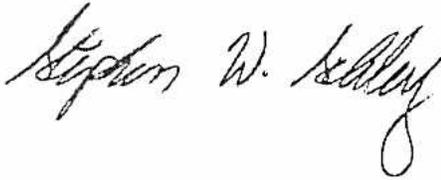


Mark A. Suwyn
Chairman and Chief Executive Officer
Louisiana-Pacific



John A. Luke, Jr.
Chairman and Chief Executive Officer
MeadWestvaco Corporation

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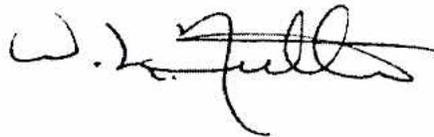
Stephen W. Schley
President
Pingree Associates, Inc.



Rick R. Holley
President and Chief Executive Officer
Plum Creek Timber



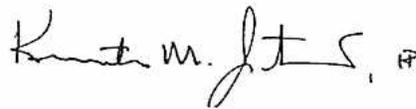
L. Pendleton Siegel
Chairman and Chief Executive Officer
Potlatch Corporation



W. Lee Nutter
Chairman, President and CEO
Rayonier



Patrick J. Moore
Chairman, President and CEO
Smurfit-Stone Container Corporation



Kenneth M. Jastrow, II
President and Chief Executive Officer
Temple-Inland Inc.

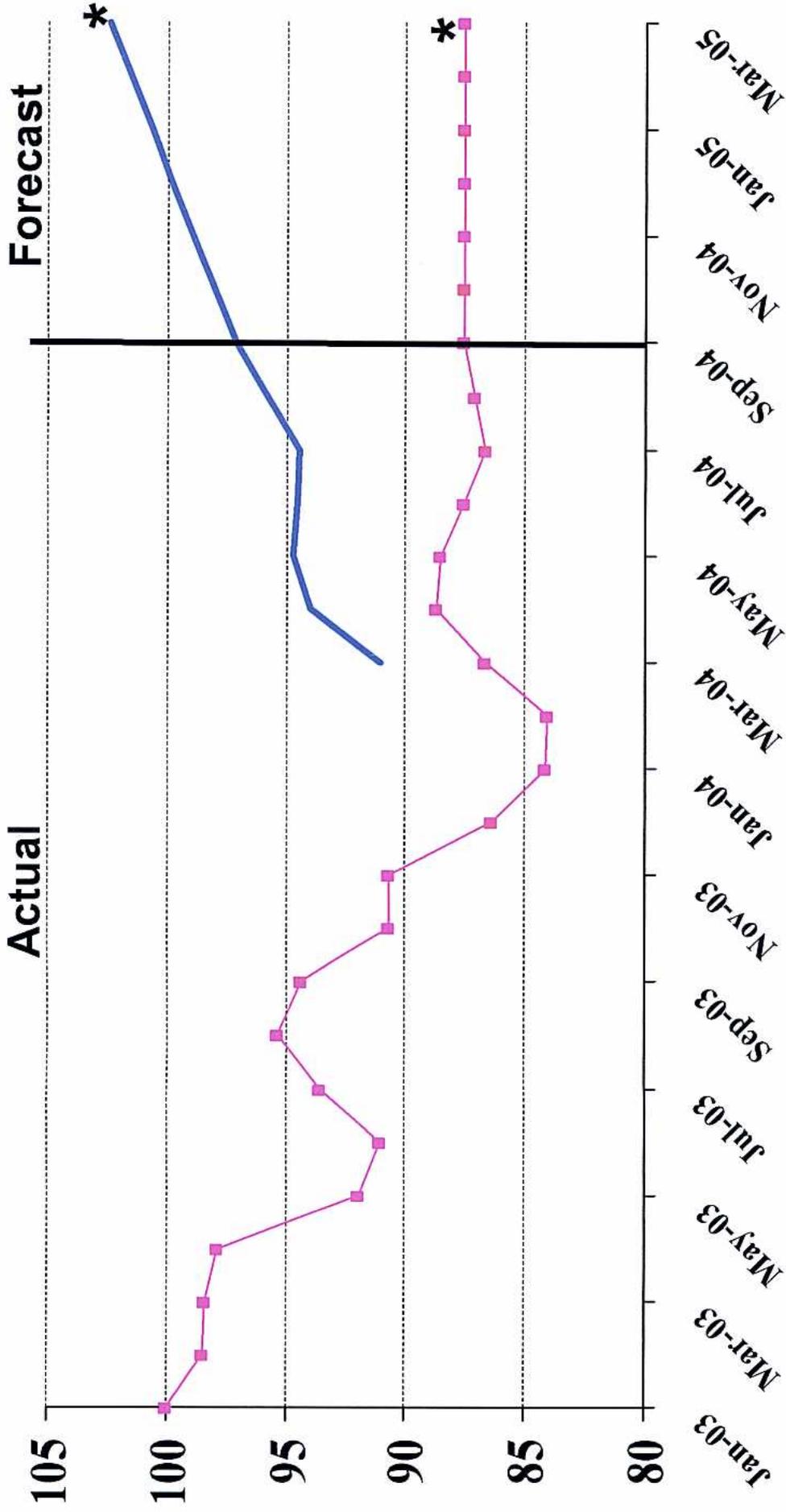


Steven R. Rogel
Chairman, President and CEO
Weyerhaeuser Company

Enclosure

Exchange Rate – Euros per Dollar

Index: January 2003=100



—■— Euros Per Dollar Index —■— Euros per Dollar Index With Adjustment For Tariff*

Source: AF&PA, Economics Department, September 10, 2004

*Assumes no change in the exchange rate after Sep 2004. Increase in adjusted Index reflects monthly increase of one percentage point in the tariff after initial tariff of 5% imposed in March 2004.