

COULSON GROUP OF COMPANIES

LOG TALK

VOLUME 10-157

JULY 2010

We are now in the midst of the best weather of the year and are seeing all Coastal Woodlands Operations take downtime until the weather breaks. The West Coast is uncharacteristically drier and, if we do not get precipitation prior to the end of July, we will be in the same drought condition as we experienced in 1958, which was one of the BC Coast's worst fire seasons on record. Like all Coastal Operators, we will be taking a conservative approach to harvesting operations, and have enough fibre in front of Coulson Manufacturing to operate throughout August.

The Mars did its first initial attack fire this past week with the crew making one drop and extinguishing the fire on Malcolm Island around Sointula. This week we are testing a Night Vision Goggle operation with FireWatch 76 and the Sikorsky 61, and reviewing the capabilities of the two aircraft working together for night operations while fighting fire.

I am pleased with our Safety Performance during the first six months of the year, as we are on a pace to set a new Company Safety Standard. I appreciate everyone's dedication, focus and commitment to Safety.

Wayne

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Corporate News

By Susan Merivirta, Chief Financial Officer

We have passed the six-month mark for Year 2010, and continue to face the uncertainties of the year with caution and conservatism.

Our Log Harvesting operation is operating at about 92% of last year's employment numbers. Gary Collinge and Ken Matthews, along with their respective teams, spend many hours at the Boardroom table planning our harvesting plans, before one tree is felled. It is the attention to all detail that continues to enable us to operate on the Coast when many others have exited the business.

Our Manufacturing and Remanufacturing operations are operating at about 73% of last year's employment numbers. John Kuch continues to focus his team on controllables – the quality of our output product and cost efficiencies. Foster Coulson has been working with John on Lumber Sales, and we are challenging them both to match our order files with our production volumes while expanding our customer base.

Aviation continues to offer us the most opportunities for change and growth as long as we focus on providing our customers with the best service and flexibility no matter where they are in the world.

We have recently acknowledged that there is a significant component of Scientific Research and Experimental Development in most every project we undertake on the Aviation side to ensure that we continually meet and surpass our customers' needs. We are currently in the process of testing the feasibility of using the cutting edge technology systems in the Sikorsky 76, Firewatch, to feed information to selected aircraft and personnel with Night Vision capability to allow them to continue firefighting throughout the night when fires traditionally die down. Time will tell where this ends up, but it just reminds me that Gary Collinge and Wayne Coulson, many years ago, designed the first Heli-Grapple system for use on the Sikorsky S61 and hold a US Patent that attests to this fact.

There is a term – “Necessity is the Mother of Invention”. This quote may need to be added to the Coulson standard of “Finding a Better Way”.

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Operations

By Jim Messer, Chief Operating Officer

SAFETY

With the continued dry spell and low humidity the Coastal Fire Center has now initiated a full campfire ban. The ban spans from the Lower Mainland to the Coast Mountains and includes Vancouver Island. Most of the coastal region is under a high to extreme fire danger rating. The ban will remain in effect until conditions change. Please be careful when you are camping or out enjoying our great backyard.

COULSON FLYING TANKERS

As a testament to current fire conditions....the Hawaii Mars got dispatched to our first Provincial target on July 22nd. We worked a structure and forest fire near Sointula on Malcolm Island. The fire was under good control upon arrival by the local fire crews and one drop from the Mars ensured it did not escape downwind. Coulson Flying Tankers remains on high alert for both call outs from Sproat Lake and possible dispatches to other areas of BC.

COULSON AIRCRANE

C-FMAY has returned to Port Alberni and is currently undergoing an overhaul. Next projected mission will be return to Australia in October for their fire season.

C-GBSF is on standby at the Port Alberni Airport for possible fire or other aerial work.

C-FXEC continues work in West Sale, Victoria State for Exxon Australia. It currently looks like that work will continue to near year end.

N7689S – our S-76B will soon become C-FIRW (Firewatch). Aircrane has been working on getting the S76B type certified in Canada. Hopefully, this arduous process is near completion and we will soon see the new call signs getting painted on.

COULSON MANUFACTURING

Manufacturing continues under a “yellow caution light”. Wood is moving, but the markets are very sensitive to supply. Dry weather and some logging outages may help extend our buying season. So far John and Foster are doing a great job of keeping the majority of our volumes forward sold.

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Log Harvesting

By Gary Collinge, Manager

The dry weather is great for road construction but tough on logging.

The logging group is currently active in three areas. Rankin Inlet is the key area as we progress along our exit strategy from TFL54. Completion of the Gunner blocks is near, about 1600m³ in G80. Rollingstone block R91 is over 50% done. There is a small amount of hoe chucking left in R91 and another 2500M³ to haul.

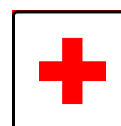
Stewardson has Glen Jacobsen logging about 9000m³ in HE720 which is heavy hemlock. Previously this was not economical, but should succeed at this time. Kennedy Flats K blocks have been set aside for later logging. We are cleaning up the T1 block which we had partially logged 2 years ago. This also has been made possible by current market pricing.

Road construction has hit the block boundary in Matliset so we will be able to start falling the first opening in the last week of July. Pressure will be on the road builders to build on multiple headings. This will help to fill out the fiber flow. I believe the Rankin crew thinks there will be a break in the action but I am pushing for continuous production. It will be tight.

I would like to say Good Luck to Doug Ryles. After 22 years, (he says 23), Doug has moved on to greener pastures, *All The Best Douglas!*



Safety Stats



CURRENT 01-24 June – 21 July 2010				YTD 2010		Accident Free Days	
DIVISION	WORKERS	MED	LTA	MED	LTA	2010	
CML	40	0	0	01	01	02	78
CSL	16	0	0	0	0	0	813
HMP	03	0	0	0	0	0	1468
MILLWORKS	0	0	0	0	0	0	1084
AIRCRANE	14	0	0	01	0	01	916
CFT	09	0	0	0	0	0	379
RIMROCK	42	0	0	0	0	0	409
CFP – OFF	16	0	0	0	0	0	5415
CFP – HELI	0	0	0	0	0	0	704
CFP-CONV	03	0	0	0	0	0	838
KLITSA	04	0	0	0	0	0	342
TOTAL	147	0	0	02	01	03	

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Forestry & Engineering

By Ken Matthews, Manager

Engineering work at Toquart continues through the summer with plans to have a cutting permit in place in the early fall.

We are also conducting the required waste surveys on areas harvested in TFL 54 over the past two years. Along with the surveys we are going to clean up any road deactivation we have outstanding on the areas we have logged in the TFL.

Once again we are going to joint venture with the Toquart FN to plan and log the volume they have on their woodlot 1903 at Toquart. We anticipate preparing 10 000m³ to be logged in the late fall and through the winter of 2011.

Have a good summer and please be watchful for, and report any wildfires.



Reporting of Uncontrolled Forest Fires

The Coulson Group of Companies will maintain a fire duty officer for the period from April to October 2010.

Any Coulson Group employee or contractor who observes uncontrolled wildfire in the forest must notify the Coulson Group fire duty officer or their supervisor immediately. The duty officer will provide advice on required action and will notify government agencies and Coulson executive.

Duty Officer Number: 250 731 7966

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Manufacturing

By John Kuch, Manager

In the last Log n' Talk we were wondering when summer was coming. Well, what a difference a month can make. Summer has certainly arrived and now is the time to take precautions in the sun and heat. Remember to use sunscreen and stay hydrated.

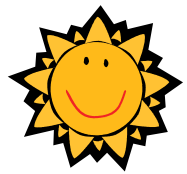
Too bad the lumber markets weren't hot like the weather. Cedar clears are very slow in Europe which makes more available for the North American markets which in turn puts pressure on the price.

We have an order fill on merch items and vertical grain clears, but some of the other items are very slow. Hopefully, things will pick up in August for September delivery.

The custom cutters have been active lately and we've cut for some new customers who are planning to cut again. Currently we have four cuts lined up for August and September.

Until next time, please work safe and play safe.

Top 10 Outdoor Fire Prevention Tips for the Summer



- ✓ Know about Fire Bans in your area.
- ✓ Establish a clear "safety zone" around your home – a 10 meter-wide area clear of vegetation, firewood and rubbish.
- ✓ Ensure all rubbish is removed regularly from your home or campsite-do not burn outside.
- ✓ Place burnt matches, cigarette butts and ash in metal containers.
- ✓ In case of fire, always have a garden hose connected that can reach all parts of your property.
- ✓ Test cords and plugs on power tools and lawnmowers- must be CSA approved.
- ✓ Supervise BBQs and sites.
- ✓ Arson is a dangerous crime. If you see children or adults acting suspiciously near vegetation, call the police.
- ✓ Fuels and flammable liquids should be stored in approved containers and handled with care.
- ✓ Extinguish outdoor fires completely. Stir the ashes and cool hot spots.



Port Alberni Assessment & Resource Service

Creating healthy, safe employees, families and communities

This counseling service is accessed by calling a toll free line is 1-866-296-2929 and is available 24 hours a day, 7 days a week. The website is:

www.fgiworldmembers.com

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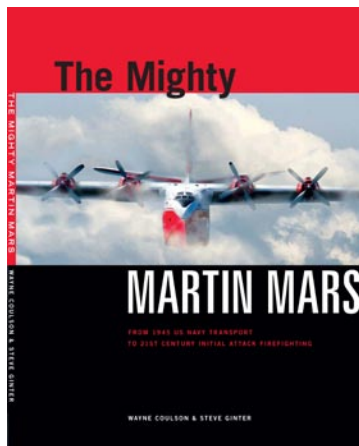
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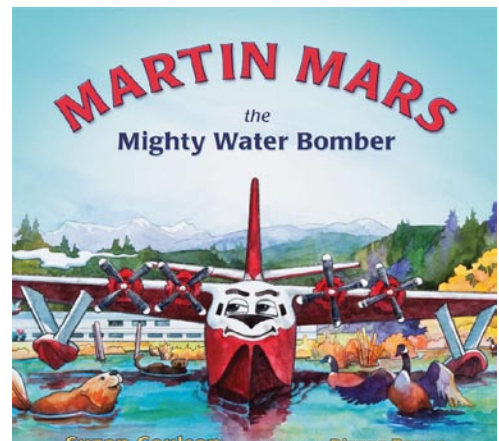
*The Coulson Martin Mars Bomber museum & gift/souvenir shop are open daily from 10am to 3pm until August 31st.
The daily tours of the Philippine Martin Mars are:
10:30am, 11:30am, 12:30pm, 1:30pm.*



Check out the Coulson Flying Tankers Corporate Wear now on line!
Type in www.coulsonflyingtankers.com and click on webstore.



Available at Coulson Group Head Office, 4890 Cherry Creek Rd. Port Alberni
“The Mighty Martin Mars” (\$22. including taxes) and the new Children’s book “Martin Mars” (\$25. including taxes)



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BURNING THE MIDNIGHT OIL

Aron and I worked late into the night Thursday July 23rd doing server updates, reconfiguring the server rack, and getting our new VMware server up and running. The new virtual server is now running multiple instances of Windows 2003 and 2008 on a single machine. This morning we also finally went live with the new Windows 2008 Terminal Server for Corridor and so far everything is running smoothly.

I have been very busy preparing for my vacation; I will be leaving Thursday Aug 5th and returning Tuesday Aug 24th. With that in mind I was looking for something quick and easy to put in this issue of logNtalk, and came across something that I had never seen before and found quite interesting:

Notepad Tricks

Trick #1

1. Open a blank Notepad file.
2. Write .LOG as the first line of the file, followed by a carriage return (enter key). Save the file with whatever name you want and close it.
4. Double-click the file to open it and notice that Notepad appends the current date and time to the end of the file and places the cursor on the line after.
5. Type your notes and then save and close the file.

After that open the file and see the changes.

With this trick you can also use notebook as a personal diary.

Trick #2

1. Open notepad.
2. Type "bush hid the facts" (without the quotes).
3. Save the file with whatever name you want and close it.
- 4 Double-click the file to open it and see the changes.

Trick #3

Do you know the number of the flight that was used to attack the world Trade Centre????
The flight number was Q33N.

1. Open your Notepad, type the number of the flight " Q33N" (without the quotes).
2. Click on format>font, increase the font size to 72\
3. Change the font style to 'wingdings'. Now see the amazing thing.

Trick #4

1. Open Notepad
2. Type the text "this app can break" (without the quotes)
3. Save the file
4. Re-open the file .

Notepad displays seemingly-random Chinese characters, or boxes if your default Notepad font doesn't support those characters.

As it turns out, Notepad writes the file correctly. It's only when Notepad reads the file back in that it seems to lose its mind.

Summer Heat Exposure

Well we have only had a short burst of hot weather so far this year, but it was enough to remind us of some of the dangers of working through the summer months. Forest fire awareness and preparedness always need to be forefront in our daily routines this time of year, as is the ever present danger of heat stroke when working outside.

What is Heat Stroke?

Heat stroke is a form of hyperthermia, an abnormally elevated body temperature with accompanying physical and neurological symptoms. It is a true medical emergency that can be fatal if not properly and promptly treated. In extreme heat, high humidity, dehydration, or vigorous exertion under the sun, the body may not be able to dissipate the heat and the body temperature rises up to and beyond 106 C.

Symptoms of Heat Stroke

Initial symptoms of heat exhaustion include; nausea, vomiting, fatigue, weakness, headache, muscle cramps and aches, and dizziness. These are generally the precursors to heat stroke and should be addressed before the body continues to deteriorate. Following are the most common signs of heat stroke:

- High body temperature
- The absence of sweating, with hot red or flushed skin
- Rapid pulse
- Difficulty breathing
- Strange behavior
- Hallucinations
- Confusion
- Agitation
- Disorientation
- Seizure
- Coma



Treatment

Call first aid and/or 911 immediately.

Get the victim to a shady area, remove clothing, apply cool or tepid water to the skin. Fan to promote sweating and evaporation, and place ice packs under the armpits.

Hydrate with water.

Prevention

The number one preventative measure that a person can do to prevent heat stroke is to avoid dehydration. DRINK PLENTY OF WATER or sports drinks all day long to replenish electrolytes if you are working vigorously outdoors in the sun. Avoid alcohol, caffeine and tea which will lead to heat stroke. Wearing a hat and breathable clothing are also important to minimize heat stroke symptoms.

Whether we are at work or on days off, we must be aware of this potential hazard for ourselves and the others around us. Keep in mind these tips so we can all be safe this summer.



*Did you know that if you're thirsty, you're already partially dehydrated?
Drink to prevent thirst, not to quench it.*

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Happy August Birthday

Aircrane

Ian Thomas 07
 Michael Johnson 13
 Corwin Dominix 14

Mills

Michael Paterson 10
 David Ollech 22
 Philip Lim 23
 Wade Edwards 23
 Bruce Krupek 30
 Tim Irwin 31

RimRock

Diane Haley 04
 Catie Andow 09
 Danielle Lafontaine 14
 Ben Rollheiser 23
 Sydney Davis 24
 Yvonne Acland 29



Sunshine is delicious, rain is refreshing, wind braces up,
 snow is exhilarating; there is no such thing as bad
 weather only different kinds of good weather.
 - John Ruskin
 Taken from Words of Honor pg 30

Aug 2010

SUN	MON	TUES	WED	THUR	FRI	SAT
1	2 Office Closed Canada Day 	3	4 Cont'rs invoices due	5 Payroll Cutoff	6	7
8	9	10 Chques for pickup after 1:00	11	12	13 Payday	14
15	16	17	18 Cont'rs invoices due at office	19 Payroll Cutoff	20	21
22	23	24	25 Cont'rs chq for pickup after 1:00	26	27 Payday	28
29	30	31 Month end cheques for pickup after 1:00.				

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