



Gorman Bros. Lumber Ltd. acquires forest product assets from FCL

(November 7, 2012) – Gorman Bros. Lumber Ltd. of Westbank, B.C., is pleased to announce its acquisition of Federated Co-operatives Limited’s (FCL) forest product assets at Canoe, B.C. The sale includes FCL’s plywood plant, sawmill and the log harvesting and forestry operations within the Okanagan Timber Supply Area surrounding Shuswap Lake.

FCL’s Forest Products Division has operated in Canoe since 1945. The Division and its logging contractors employ more than 300 people. The purchase agreement provides that all employees will be offered employment by Gorman Bros. Lumber Ltd. on substantially the same terms and conditions as their present employment.

The Forest Products Division’s manufacturing facilities at Canoe have a capacity of approximately 150 million square feet of plywood annually. The sawmill has not operated since December 21st, 2007, due to unfavorable market conditions.

“On behalf of Federated Co-operatives Limited, I would like to thank our Forest Product Division employees and the community for 67 years of faithful service and support,” says Scott Banda, CEO, Federated Co-operatives Limited. “The transfer of ownership to Gorman Bros. Lumber Ltd. will continue the co-operative tradition and positive business values on which both companies were formed.”

Gorman Bros. Lumber Ltd. and Federated Co-operatives Limited share a long tradition of local business investment and community support, says Ron Gorman, CEO, Gorman Bros. Lumber Ltd.

“We are delighted to expand our group of companies and thank FCL for the opportunity to continue the co-operative tradition of the Forest Products Division,” said Gorman. “With the additional availability of the high quality fiber from the newly named Canoe Forest Products Division, Gorman Bros. Lumber Ltd. will be able to complement its existing operations with another value added product (Canoe brand plywood) while ensuring the maximum value is obtained from the combined timber supply. We look forward to a prosperous and exciting future.”

Gorman Bros. Lumber Ltd. operates lumber production facilities in Westbank and Revelstoke and a pole division in Lumby, B.C. It has a long tradition of working with communities in its operating areas to ensure the best use of their resources. With the additional availability of the high quality fiber from the Canoe Forest Products Division, Gorman Bros. Lumber Ltd. will be able to maximize the opportunities to enhance the wood supply to its existing operations while maintaining full production at the plywood plant in Canoe.

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(EDITORS: For more information, please call:
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