

Celebrating

Remembering

Thanking

This and all pre-1980 photos courtesy of the Madras Pioneer



Plant 1, February 1972

## The First Half Century

by Dallas Stovall, CEO/President



### In the Beginning

In the beginning, October 1960, the first sale for Brightwood Corporation was pine box cleats hand-loaded into a rail car by the three new partners: Carl Peterson, Jack Stockton, and Ken Stovall.

Earlier in the year, Carl, a partner and the general manager of Clear Pine Mouldings in Prineville, sold his interest so that he could start a new plant in Madras. He located it in an old three-walled lumber planer mill, located on Hess Street in the Madras Industrial Park. The building is still in use today (with a fourth wall) and is called Plant #3.

### Recruiting the Right Team

Carl's first order of business was to hire a management team. Carl turned to Jack, who at the time was the bookkeeper at Clear Pine and had 10 years industry experience having also worked for Alexander-Yawkey Sawmills in Prineville. And to make the partnership even better, they were both Oregon State University alumni — the beginning of a Beaver legacy for sure. Both Carl and Jack were Oregonians and Army veterans of WWII.

Next Carl needed a production foreman who had experience in the process of ripping and cutting lumber. According to Jack, Ken — then 25 years old — was Carl's first choice. Ken had moved to Glendale, Oregon from Arkansas after graduating from high school in 1953. He relocated to Prineville in 1956 with his wife, Charlotte, and newborn son to work at a small box factory, which closed soon after he started. His boss at the time called Carl and told him Ken would be a very good employee so Carl immediately hired him at Clear Pine.

According to Jack, "Ken was a quick study and lightening fast on a chop saw and he could bury the floor stackers faster than anyone I ever saw."

At Clear Pine, Ken had worked his way up to a foreman when Carl made a very generous proposal: He told Jack and Ken he would give each a 10 percent ownership share if they came with him to start Brightwood.



Brightwood founder **Carl Peterson** raised start-up funds by selling his interest in Clear Pine Mouldings of Prineville. Carl recruited bookkeeper, Jack Stockton, and 25-year-old production foreman, Ken Stovall, to join him by offering each 10 percent ownership in the new pine cutstock venture in Madras.

### Building on Innovation

So with \$18,000 the three hard working partners set out on the great American dream of creating their own business. Times were tight but Carl was innovative and was always looking for ways to get an advantage. One innovation occurred in the early 1960s when Carl asked a local Prineville sawmill, Ochoco Lumber, to change how thick they planed their 1-5/32" (5/4) lumber. Carl asked them to remove as little wood as possible, making the boards "heavier" or thicker at 1-5/16", even if in doing so both board faces were not completely smooth as required by the industry. All door frames at that time were made from 1-13/32" (6/4) lumber. By downsizing to 5/4 lumber, Carl could manufacture them using 15 percent less wood fiber, which was a huge market advantage for Brightwood. In the end it proved so successful that this new lumber thickness "Heavy 5/4" became the standard and proved to be one of the biggest innovations ever in the millwork industry. I suppose Carl was green before green was green.

Another change Carl pushed for was loading rail cars with palletized units rather than the time-consuming industry standard of stacking products by hand. Having loaded many of

Another change Carl pushed for was loading rail cars with palletized units rather than the time-consuming industry standard of stacking products by hand. Having loaded many of

these rail cars, Carl knew there had to be a better way.

Carl also took a real interest in the welfare of his people. Carl instituted a profit sharing plan and a college scholarship program for his associates' children, both of which were unique and continue to this day. Among other philanthropic endeavors, Carl and Ellen donated the land where the Jefferson County Library now sits.

**Madras: Where They Wanted to Be**

In the early 1970s, Carl needed to expand but he didn't have enough land in Madras, so he began looking at alternative locations. At one point, Carl had some very serious discussions with the city of Hood River since they were on the railroad and hungry for new business. According to Dolf, Carl's eldest son, Madras was where they wanted to be, so Carl met with the city and local community leaders and they came up with a solution.

The city of Madras came through with good terms and land to build on. Community leaders, with Sumner Rodriguez playing a pivotal role, started the Jefferson County Development Corp. They sold shares locally, although only in a limited amount to any one individual or company, with the immediate goal of raising funds for Brightwood's new plant and then

helping others in the future. Brightwood eventually paid off the loan and JCDC is still operating today, making loans to local businesses. Bright Wood remains a shareholder.

Jack and Ken's wives became close friends, so much so that Jack's wife was referred to as "Grandma Margret" by my three brothers and me. My mother, Charlotte Stovall, related the story that when Jack went to WWII, Margret felt it was her duty to help the war cause in order to get Jack back to marry her, so she signed up to be a welder in the shipyards of Portland and Sausalito, Calif.

**Growing the Business**

The new company operated with about six employees for a couple of years. Ken ran production, Carl all the sales and purchasing, and Jack the bookkeeping and whatever else was needed. In the early '60s Carl wanted to see if he could sell product to Andersen Windows so he and Ken drove to Bayport, Minn. in Carl's Volkswagen van. Still tight on money, they slept in the van and ate mostly cheese and crackers on the way. Carl was able to secure a startup order and this early success led to a relationship that still endures today, as Andersen remains Bright Wood's largest customer.

The partners decided to expand into value-added manufac-

turing in 1963 with a new milling plant to produce door frames for Brockway Smith, which serviced the New England market. Soon new products began rolling in. One of those unique products was Fisher-Price toy parts — if you have a Fisher-Price toy with wood in it, it most likely came from Brightwood. In 1966, Don York brought his value-added experience from Clear Pine Mouldings to manage the new and growing milling plant, which is called Plant #2 today. Don became Brightwood's fourth partner

**From Brightwood to Bright Wood**

Carl and Jack left the company in great financial shape in 1978 when they sold their interest to Ken. Ken then brought in a third partner, Dale Johnson, whom Carl had hired earlier from Andersen Windows to work in sales and purchasing. After creating a new corporation, Ken needed to register it under a different



**Ken Stovall** became the sole owner of Bright Wood in 1983. The company grew from 110 people and \$20 million in sales to over 1,000 associates and more than \$200 million in sales during his 12 years of leadership. Bright Wood was one of the largest single-site processors of pine lumber and manufacturers of window and door components in the U.S. when Ken died in 1995.

name so he called it "Bright Wood," two words instead of one. This partnership continued until 1983 when Dale became sick and needed to retire and Don wanted to start a new business venture so Ken purchased 100 percent of the company. Don York went on to start ESCO Wholesale Supply, a very successful electrical supply company in Bend, Oregon.

Following the ownership change, Ken went on an aggressive growth track that took the company from 110 people and \$20 million in sales in 1983, to over 1,000 associates and more than \$200 million in sales by the time he passed away in 1995. During his tenure, Ken grew Bright Wood into one of the largest single-site processors of pine lumber and manufacturers of window and door components in the U.S.

**Introduction of Radiata Pine**

Ken recognized the shrinking supply of domestic pine in the late 1980s, so he began



Bright Wood founders (left) Carl Peterson, Jack Stockton, and (below) Ken Stovall in 1972 shortly after the construction of Plant 1. Ninety percent of the operation's output was loaded on rail cars bound for customers in the Midwest and East Coast. Window frames for Andersen

Windows were one of the fledgling company's first and biggest product lines.



**1975**  
First fingerjoint machine  
Dallas Stovall is the  
stacker/grader

**1983**  
Ken Stovall  
becomes  
sole owner

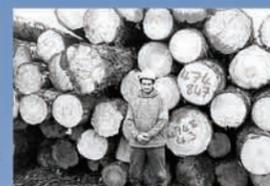
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**Plant 4**  
cutting  
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170  
associates

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Columbia Cutstock  
Ken Stovall & Dennis Lockard partner  
in the Dayton, Washington operation

**1986**  
Plant 2 converted  
to door frame  
manufacturing  
includes the  
first preservative  
treat tank  
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Original cut plant  
remodeled &  
restarted  
as Plant 3

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**Plant 6**  
fingerjoint

**1993**  
Plant 13  
window  
component  
milling  
-----  
880  
associates



**1991**  
Plant 10  
bifold doors

**1995**  
Plant 14  
lineal moulding

**1999**  
Bend Wood  
Remanufacturing  
Operation  
Bend, Oregon  
facility adds to  
cut, fingerjoint,  
lamination &  
sawn veneer capacity

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Redmond's  
"Area 51"  
Engineered door  
component line  
& LVL processing

**2002**  
1,500  
associates



**2007**  
First-ever  
staff  
layoffs

**2010**  
FSC Chain  
of Custody  
Certification  
-----  
787  
Dreamliner  
Engineered  
door  
component  
lamination  
center  
-----  
650  
associates

**1960**  
First order of  
5/4-pine  
cutstock ships



Moulding plant superintendent  
Don York became the  
fourth partner  
in 1966.

**1970**  
33  
associates

**1970s**

**1972**  
Plant 1  
adds 12 chop saws to the  
two in the original cut plant  
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50  
associates  
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First chipper

**1978**  
Carl Peterson & Jack Stockton  
sell their shares to Ken Stovall.  
Dale Johnson becomes  
a partner.



One of Brightwood's most unusual  
product lines was wooden parts for  
Fisher-Price toys. The company also  
made jump rope handles and sold  
bundled firewood to keep the plants  
working in the early days.

Photo courtesy of Fisher-Price

**1980s**

**1985**  
Plant 5  
lineal  
mouldings  
& specialty  
millwork

**1988**  
Plant 7  
lamination  
of engineered  
wood products

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**Plant 8**  
5/4 cutting

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**Plant 9**  
5/4 fingerjoint

**1992**  
Plant 11  
optimized  
6/4-pine  
cutting

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**Plant 12**  
6/4-pine  
fingerjoint

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Introduction  
of Total  
Quality  
Management  
using Lean,  
Motorola,  
Juran & Deming  
models

**1990s**

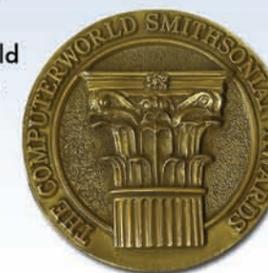
**1994**  
3,136  
suggestions

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Introduction  
of STOP  
Safety Training  
Observation  
Program

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520  
truckloads  
shipped  
monthly  
-----  
1,040  
associates

**1997**  
Crown Pacific  
Remanufacturing  
Operation  
Redmond, Oregon  
facility adds to  
cut, fingerjoint,  
lamination & veneer  
slicing capacity

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Computerworld  
Smithsonian  
Award  
for use of  
Information  
Technology  
in Plant 11



**2001**  
Wisconsin  
Warehouse  
for Andersen  
Vendor-Managed  
Inventory

**2006**  
Three optical  
scanners added  
to Plant 11  
-----  
Bend people  
& machinery  
consolidated  
into other sites

**2009**  
Injury rate  
down  
85 percent  
since STOP

**1960s**

**1966**  
Plant 2  
moulding



**2000s**



P.O. Drawer 828  
Madras, OR 97741  
[www.brightwood.com](http://www.brightwood.com)

looking overseas for other species that could be sold alongside ponderosa pine. He found what he was looking for in radiata pine from Chile and New Zealand. Radiata is the given name for the plantation-grown Monterey pine species transplanted from California seedlings. Ken and Dean Collins, a good friend from Cascade Wood in Medford, purchased the first radiata ever shipped to the U.S. from Chile, from a young engineer named Fernando Olave, who is now Bright Wood's representative in Chile.

Less than a year later the first New Zealand radiata purchased from Arthur Managh was delivered to Bright Wood, and a few years later Arthur became a full-time Bright Wood associate working in New Zealand developing the new supply. Presently radiata makes up over 20 percent of Bright Wood's woodpile.

#### Ken's Legacy

Today, my brothers Derl and Kevin and I make up Bright Wood's executive management team. I assumed the President/CEO position after Ken passed away, Derl took over for Jack Stockton as the Chief Financial Officer in the late '70s, and Kevin is presently the Board Chairman, President of Bright Wood New Zealand, and Purchasing Manager.

Growth continued after Ken's death, with the purchase of Crown Pacific's Redmond, Oregon millwork plant in 1997 and then Bend Wood Products in 1999, both competitors at the time. The Redmond plant is still operational today with over 100 people, while the Bend, Oregon plant was slowly downsized in anticipation of the building's lease expiring in 2009. In 1996 Bright Wood leased a small sawmill on the South Island of New Zealand located in Otatautau, and then completed a purchase in 1998.

In 2001 Bright Wood took a major step in customer service by purchasing a 60,000 square foot warehouse in Menomonie, Wisconsin just five minutes from a new window factory being built by Andersen Windows. The strategy was to offer a "Vendor Managed Inventory" (VMI), much like the auto industry, providing daily deliveries of ready-to-assemble win-

dow components to match Andersen's production schedule. Today this warehouse has expanded to 90,000 square feet and supplies five separate Andersen facilities with VMI services.

Bright Wood has seen many tough markets, and was able to weather them with no layoffs until 2007. The company started cost cutting by consolidating Bend into the extra capacity located at both Madras and Redmond. Then, over the next three years, the housing market began to unravel and total employment shrank from 1,380 in February 2007 down to 675 in July 2010.

#### Moving Forward with Engineered Wood Products

Bright Wood continues to remain aggressive and innovative, much like its founders. We see many opportunities, not only with the new products we are developing, but also helping our strategic customers in the window and door industry as they redesign and improve their product lines. In the last 10 years we have become more of an engineered wood products

company by wrapping low-cost fingerjointed wood profiles with other materials like vinyl and wood veneer, thereby reducing the use of clear wood. We constantly work with our customers to decrease cost and improve the performance of their products utilizing better designed wood components. We have saved our customers well over \$10 million in the past five years through product re-engineering alone. Presently 60 percent of our product lines are directed to the wood window and door industry. The other 35 percent include domestic interior and exterior mouldings and millwork products, with the rest going into many unique specialty products.

We are confident we will come out stronger and more competitive after this inconvenient recession.



**Dallas Stovall** has been Bright Wood's CEO and President for 15 years. The company expanded its operations to additional sites in Oregon, Wisconsin, and New Zealand during his tenure and shifted its focus to engineered wood products.