



Rural Development • Rural Business & Cooperative Service • Value Added Producer Grant Program

## Commerce Meets Conservation on Family Timber Operation

For the Deumling family, the 1,300 acres of mixed conifer forestland in the Eola Hills of Oregon's Willamette Valley has been home since 1987. They secured as many acres as they could from the prior owners with the promise that they would preserve the Oregon White Oak habitat on the property. Their focus ever since has been on maintaining a healthy and diverse ecosystem. They select individual trees to harvest; they do not run equipment on the forest floor; and they remove invasive species by hand. Meanwhile in the surrounding Willamette Valley, over 90 percent of native oak savanna and woodlands has been lost, much of it replaced by vineyards for the booming wine industry.

The large industrial sawmills where the Deumlings used to sell their logs offered low prices and did not distinguish between clear-cut and sustainably harvested timber. In 2007, Ben Deumling, at age 25, established [Zena Forest Products](#) to create finished hardwood flooring, as well as furniture and cabinet stock, that would add value to their lumber. While his mother, Sarah, managed the forest, Ben began processing the logs at a small specialty mill built on-site.

In a region where the timber industry is dominated by quickly growing conifers, this mother-and-son operation is not a typical forestry venture because the Oregon White Oak they are harvesting is not only less plentiful, it also grows slowly and requires an exceptionally long time to dry (about eight months) before it can be readied for sale. To jumpstart the emerging business, Zena Forest Products needed to build up a quantity of product in the processing pipeline and cover upfront expenses for the better part of a year before financial returns could become possible.

The working capital the company needed was provided through a competitive [Value Added Producer Grant \(VAPG\)](#) from USDA Rural Development. With the grant, the Deumlings were able to double production of their eco-friendly wood products by streamlining internal processes and adding two full-time employees. "Without the VAPG," said Ben, "we would undoubtedly not be where we are today, and may very well not be in business."

Zena Forest Products is now operating at an economically sustainable capacity, and they have established a consistent market for their local oak products with ten commercial buyers who would otherwise have sought out-of-state sources. In addition, these first-time small business owners were able to provide family-wage employment to two people at their sawmill. By managing their oak habitat as a working forest, the Deumlings are also promoting the use of oak trees as a high quality lumber source, providing an incentive for increased restoration of this unique ecosystem.

Like so many small, natural resource business owners, the Deumling family has much more than just a financial interest in sustaining the resources they depend on to make a living. This is also their home, and they have a deep connection to their land. As the stewards of this property, Ben and Sarah take seriously their responsibility for preserving its ecological and historical values.

Zena Forest Products exemplifies how down-home rural entrepreneurship can fuel business growth while preserving the quality and character of the countryside. In creating the company, the Deumlings are not only protecting their family forestlands—which now make up one of the largest contiguous blocks of conifer forest in the central Willamette Valley—while producing beautiful, sustainable wood products; they are also creating jobs and supporting the local community through their stewardship.



*Zena Forest Products' owner Ben Deumling showcasing his company's sustainable practices.*

**Obligation Amount:** \$130,750 grant

**Date of Obligation:** January 2012

**Congressional District:** Representative Schrader, District 5; Senators Wyden and Merkley

**Demographics:** Polk County, Oregon; population 76,794

**Impact:** 1,300 acres of endangered Oregon White Oak preserved; 2 jobs created; family-owned business became profitable, doubled production of sustainable flooring and wood products in less than a year