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Environmentalists fear sale of timberland will alter plateau

Paper company's decision to sell 100,000 acres could harm forests, they say

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Bowater Inc.'s decision to sell about 100,000 acres of timberland on the Cumberland Plateau could open up large chunks of Middle Tennessee property for development and damage the region's biologically diverse forests, according to environmental groups. "This land sale will determine the future of the plateau, ecologically, economically, you name it. It's such a major factor when that kind of land gets exchanged," said Joe Evans, a professor at the University of the South and director of the university's Landscape Analysis Laboratory, which has been studying logging on the plateau for several years.

The decision by the plateau's largest private landowner to divest itself of property became public only a few days after the Greenville, S.C.-based paper manufacturer disclosed a \$16 million net loss for the third quarter of the year. The company reported an \$18.1 million loss during the same quarter a year earlier.

"Frankly, to be candid about it, we need the money," said Gordon Manuel, Bowater spokesman. He said the company has \$2.5 billion in debt and "we want to pay it down."

Bowater hopes to raise between \$300 million and \$400 million in the sale, which also may include properties in other states. Manuel said the company hopes to complete the deal "as fast as we can, certainly by the end of 2006." The company owns land in 14 Tennessee counties, including Grundy, Van Buren and White counties in Middle Tennessee.

The company is not the first paper manufacturer in the state to sell off property, but Bowater's Cumberland Plateau properties, which are not contiguous among the 14 counties, represent the largest land sale in recent state history.

Allen Hershkowitz, a senior scientist at the Natural Resources Defense Council, acknowledged a sizable chunk of the land up for sale probably will remain in forest production because the tracts are in isolated areas, but many sites near towns are likely to be developed for residential or commercial purposes.

"That is the disturbing thought in this process. Development pressure is enormous, and we're concerned about the conversion of forest to strip malls," Hershkowitz said. The NRDC, headquartered in New York, is a nonprofit enterprise devoted to environmental issues.

"Tennessee is in a vulnerable circumstance right now. Some kind of regulation needs to be considered by the legislature if Tennessee's unique heritage is going to be preserved."

Evans, of the University of the South, said "parcelization" of the property could change the character of the Plateau.

"Just having it go from a large landowner to several smaller tracts, that change in ownership changes the dynamic of the landscape," the professor said.

"Each of those new landowners may have a different agenda whereas before there was one owner with one agenda."

He noted hundreds of Bowater acres about the Savage Gulf State Natural Area, a pristine area in Grundy County that is a favorite of hikers. Evans said he can already imagine a developer's advertisement for the area: " 'Come to the Gulf, the new Gulf, the one that won't be hit by hurricanes.' Don't think that people aren't thinking that way," Evans said.

Manuel said he expects some tracts will be developed but said Bowater expects to continue buying timber for the company's Calhoun, Tenn., paper mill for many years to come.

"These lands are a breadbasket for that mill, and we expect to continue having a relationship to purchase that fiber," he said.

There is also a fear that a groundbreaking memorandum of understanding approved last summer between Bowater and two environmental groups will be harmed by the land sale. Bowater had agreed to halt the replacement of hardwood forests with pine trees by 2007. The paper company also agreed not to buy pulpwood from landowners who had replaced hardwoods with pines.

"We knew that they might sell so we planned for that," said Scott Quaranda, spokesman for Dogwood Alliance, a nonprofit umbrella organization representing 70 environmental groups in 17 states. The NRDC was the other group involved in the negotiations.

"The memorandum, although it's voluntary, requires Bowater to continue with its requirements even if they don't own any land," Quaranda said.

Manuel said Bowater plans to abide by the memorandum "during our ownership."

"As to what happens in the future with regard to that understanding with others, it would be improper for me to say. I just don't know," he said.

The announcement of the land sale comes just as the Heritage Conservation Trust Fund begins its work. The fund, a conservation initiative of Gov. Phil Bredesen, has been funded with \$10 million, which will be supplemented by private donations. In his state of

the state address earlier in the year Bredesen specifically mentioned preservation of sites on the Cumberland Plateau.

"It is certainly possible that there will be an opportunity to take advantage of some of the Bowater land," said Tisha Calabrese, spokeswoman for the Tennessee Department of Environment and Conservation.