



GROSSMAN FORESTRY COMPANY Consulting Foresters
1013 S. Newberry Ave. * P.O. Box 426 * Newberry, Michigan 49868

Gerald H. Grossman
Phone: (906) 293-8707
Fax: (906) 293-8198

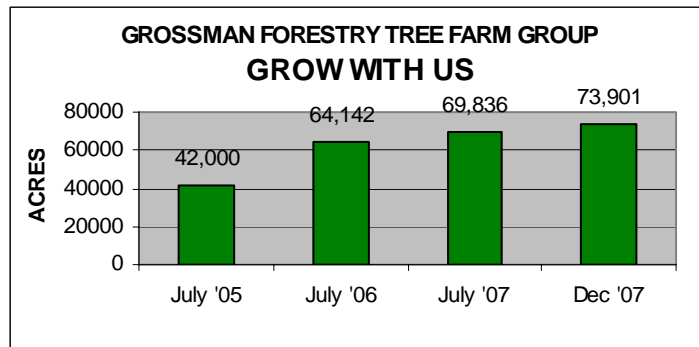
E-mail: gfc@up.net
Web: www.grossmanforestry.com

Date: January 7, 2008

To: DNR Offices, USFS Offices,
Procurement Foresters, etc.

From: Gerald Grossman, ACF & CF
Registered Forester #567

Reason: Grossman Forestry Co.
2007 Production.



We have compiled the following for your general information. We appreciate the opportunity to work with all of you in the management of our renewable resources.

As exclusive landowner agents we remain committed to providing the highest possible levels of customer satisfaction – ALTHOUGH WE FACED WEAK MARKETS FOR TIMBER, ALL OF OUR PROGRAMS TURNED IN A STRONG YEAR.

We currently provide management services to 280,000 + acres and have a full time staff of 7 foresters. **162,043 acres FSC certified and 73,901 acres Tree Farm Group Certified.**

MANAGEMENT PLANNING

- Forest stewardship plans - 37 approved plans covering 16,011 acres (bringing our total to 644 plans covering 108,255 acres)
- Forest Management Plans/Timber Cruises - Numerous plans covering approx. 3,000.

TIMBER SALE ADMINISTRATION

- Our 2007 timber sale administration program conducted 36 timber sales on 4,034 acres.
- Total stumpage value was \$1,455,097

Hardwood logs = 2,990 mbf
Softwood logs = 60 mbf

Hardwood/aspen pulp = 42,903 cds
Softwood pulp = 3,381 cds

MICHIGAN FOREST CARBON OFFSET AND TRADING PROGRAM

- 2007 Enrollment = 23 landowners.
- Baseline carbon cruises = 47,050 acres.

CONTRACT TIMBER SALE PREPARATION

In addition to our timber sale administration program, we also provide contract timber sale preparation, industrial ownerships and other private ownerships. Contract timber preparation covered over 6,000 acres yielding over 48,000 cords and 4.2MMBF.

CONTRACT FOREST INVENTORY

We provide significant forest inventory work to industrial ownerships and other private ownerships. In 2007 we completed approximately 30,000 acres of forest inventory & analysis.

REAL ESTATE SERVICES

Our licensed real estate brokers and agents continue to provide real estate & valuation services.

MISC. FORESTRY SERVICES

- We continue to provide regeneration surveys as needed.
- We continue to provide management planning services with enhanced GIS capability.
- We continue to provide timber basis and tax depletion reports to numerous clients.

CORPORATE SERVICES

We continue to offer a variety of services for our corporate clients (land appraisals, site evaluations, inventory services). We provided Forestry auditors to facilities located in South Carolina and Alabama.