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## **Weyerhaeuser loses appeal in alder case Firm raised price to kill off rivals**

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GRANTS PASS, Ore. -- A federal appeals court yesterday upheld an antitrust judgment of nearly \$80 million against Weyerhaeuser Co. for pressing for a monopoly in the market for alder, the Northwest's leading hardwood lumber.

The 9th U.S. Circuit Court of Appeals in San Francisco affirmed the 2003 verdict of a U.S. District Court jury in Portland, which found that Weyerhaeuser artificially increased alder prices to drive Ross-SimmonsHardwood Lumber Co. of Longview and others out of business.

"This is a major precedent that reverberates throughout more than just the alder industry," said attorney Mike Haglund, who represented Ross-Simmons. "The court makes it very clear here you cannot deliberately push log prices up to eliminate your rivals."

Weyerhaeuser said it planned to appeal.

"It remains our position that our conduct has been lawful and fully consistent with the standards set by the United States Supreme Court," Weyerhaeuser said in a statement.

A pioneer in developing the alder industry, Ross-Simmons went out of business in 2001 after rising prices it paid for logs and declining prices for its lumber contributed to losses of nearly \$4.5 million, according to the ruling.

The case dealt with the market for alder, a native Northwest species that was often poisoned to make way for more valuable Douglas fir. In the past 15 years, alder has gained popularity for furniture and electric guitars because it is relatively inexpensive but easy to work with.

Weyerhaeuser is one the world's largest integrated forest products companies, with sales of \$22.7 billion in 2004.

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