

PHILIPPINE  
WOOD  
PRODUCERS  
ASSOCIATION



ANNUAL  
REPORT  
1995






## BOARD RESOLUTION

The Board of Directors of the Philippine Wood Producers Association, by unanimous concurrence, submits herewith the Statement and Annual Report of the Chairman of the Board and the President as its Report to the Members for the year ended December 31, 1995.

  
ANTONIO C. OLIZON  
Chairman

  
ANTONIO G. BERNAS  
President



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## COMPARATIVE STATISTICAL HIGHLIGHT

### INDUSTRY PERFORMANCE

#### • RESOURCES

	<u>1994</u>	<u>1995p</u>	<u>Percentage Change</u>
TLA's in existence, number	37	34	-8
Annual allowable cut, '000 cu m	945	843	-11
Forest area under license, '000 ha	1,575	1,431	-9
ITPLA's (IFMA), number	227	200	-12
ITPLA'S (IFMA), area, '000 ha	516	523	1

#### • PRODUCTION (Volume in '000 cum)

	<u>1994</u>	<u>1995p</u>	<u>Percentage Change</u>
Logs	957	614	-36
Lumber	407	274	-33
Plywood	258	264	2
Veneer	39	20	-49

#### • EXPORT (Volume in '000 cum; Value in '000 US\$, FOB)

	<u>1994</u>		<u>1995p</u>		<u>Percentage Change</u>	
	<u>Volume</u>	<u>Value</u>	<u>Volume</u>	<u>Value</u>	<u>Volume</u>	<u>Value</u>
Logs	4	207	-	-	-100	-100
Lumber*	37	6,116	84	14,661	127	140
Veneer	4	2,101	a	b	-100	-100
Plywood	30	11,891	33	13,487	10	13
Other wood-based panel	6	2,300	16	5,692	167	147
Other wood-based manufactured articles ('000 GK)	70,601	126,484	61,961	131,077	-12	4
Furniture, n.e.s. of wood ('000 GK)	2,052	8,732	2,333	13,236	14	52

#### • IMPORTS (Volume in '000 cum; Value in '000 US\$, CIF)

	<u>1994</u>		<u>1995</u>		<u>Percentage Change</u>	
	<u>Volume</u>	<u>Value</u>	<u>Volume</u>	<u>Value</u>	<u>Volume</u>	<u>Value</u>
Logs	404	56,216	695	82,036	72	46
Lumber	298	66,589	378	82,225	27	23
Plywood	1	473	a	b	-100	-100
Other wood-based manufactured articles ('000 GK)	2,167	3,192	3,011	3,967	39	24

Source: Data furnished by FMB/DENR, 08 July 1996, (p-preliminary, a-less than 1,000 cu m, b - less than 1,000 US dollars)

\* - Finished lumber products only; raw lumber not allowed for export.

### ASSOCIATION INFORMATION

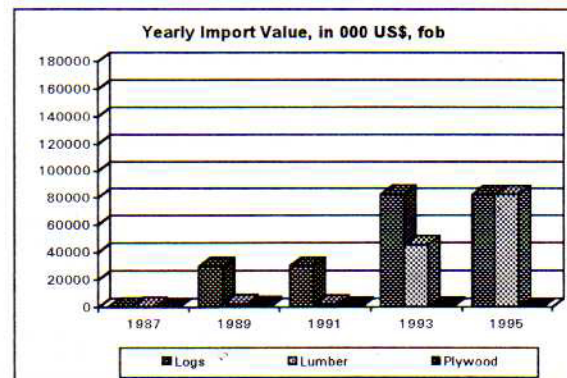
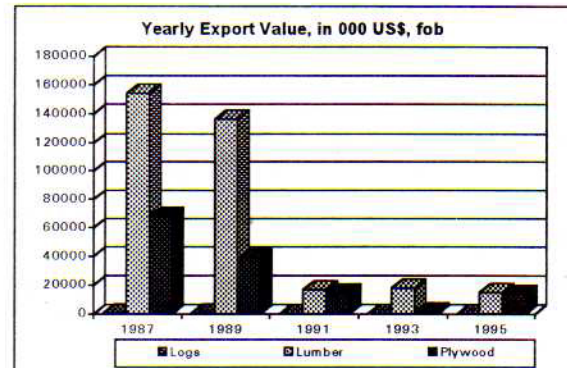
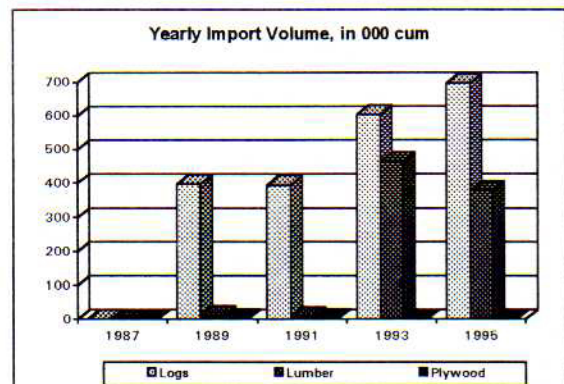
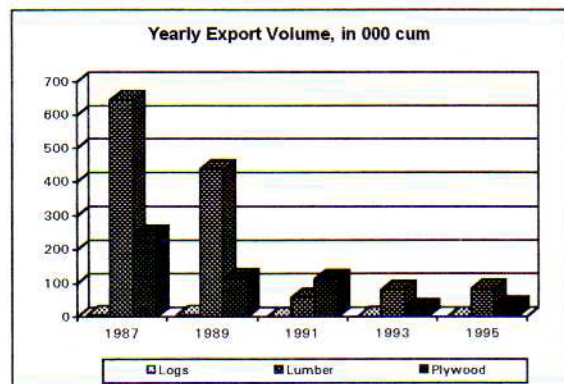
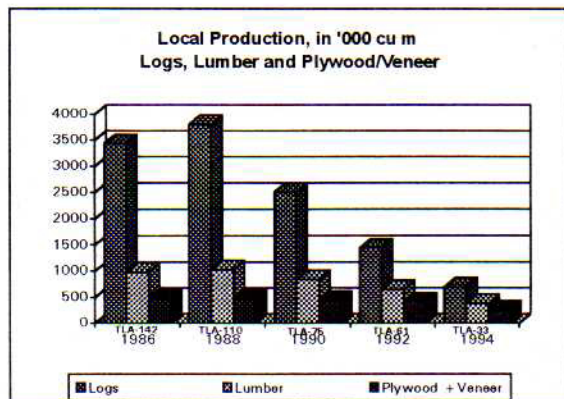
	<u>1994</u>	<u>1995</u>	<u>Percentage Change</u>
Regular Members	112	94	-16
Associate Members	3	3	-
Revenues	P 3,616,417	P 4,359,229	21
Expenses	P 3,893,633	P 5,582,141	43
Assets	P 2,857,660	P 1,530,178	-46



## WOOD-BASED INDUSTRY IN REVIEW

After nearly a decade, since 1986, of economic policy liberalization, it is only the forestry sector, the primary wood-based industry in particular, that has not made a modicum of recovery from its prolonged slump.

The sad state of the industry is reflected from its falling local production and, by extension, its diminishing export contribution, on one hand; and, on the other, its increasing import of timber and timber products.



The continuing absence of a good policy climate for the forestry sector, supposedly to be provided by Congress and the Executive (DENR), has created a ritual situation that has been exacerbating for the industry.

The 1995 performance of the industry is no different from the previous years'; dismal still.

## ROUNDWOOD OR LOG SUPPLY

The log supply for domestic wood processing totalled 1.31 million cum - only 4% lower than the previous year. However, a significant 53% of the volume came from importation, compared with only 30% in the previous year.

The short supply of locally-sourced logs might be attributed not only to an 11% reduction in AAC (from 0.94 million to 0.84 million cum) but in the inability of the industry to harvest 27% of the 1995 AAC.

Providentially, the low supply of locally-sourced logs occurred at a time of global availability of logs despite their high prices and far sources or origins.



## PRODUCTION AND IMPORTATION OF WOOD PRODUCTS

The domestic production of finished primary wood products was down by 20% (from 0.70 million to 0.56 million cum). Lumber production suffered the most, down by 34% (from 0.41 million to 0.27 million cum). Plywood and veneer production declined by 6% only (from 0.30 million to 0.28 million cum).

The importation of logs that increased by 75% from the previous year (from 0.40 million to 0.70 million cum) helped the local processing mills busy, as it were. Lumber importation that increased by 27% (from 0.30 million to 0.38 million cum) not only cushioned the supply shortfall in the domestic market but it supported the modest increase in export. The importation of plywood remained insignificant.

## WOOD MARKETS AND TRADE BALANCE

Locally-produced and imported finished primary wood products in aggregate, was only 6% less than the 1994 level (from 1.00 million to 0.94 million cum).

The domestic market consumed about 86% of the supply of these products as against 92% in 1994. Domestic consumption fell by 14% in 1995 (from 0.93 million to 0.80 million cum).

The aggregate export volume of 0.13 million cum with a total value of US\$33.84 million were suprisingly 73% and 51% higher than the comparative figures in 1994.

The trade balance in wood products posted a positive US\$9.92 million only, but 67% below the preceding year at US\$31.36 million.

Trade Balance in Aggregate Wood Products			
	1994	1995	Var (%)
Export (US\$ Million, FOB)	157.83	178.15	+13%
Primary products (% share)	14%	20%	
Other products (% share)	86%	80%	
Import (US\$ Million, CIF)	126.47	168.23	+33%
Primary products (% share)	97%	97%	
Other products (% share)	3%	3%	
Balance, approx. (US\$ Million)	31.36	9.92	-67%

## MAJOR ISSUES FACED

The major issues faced by the wood-based industry during the period in review were a case of *deja vu* - see following pages of this Report under Major Industry Issues - and summarized below:

- The gridlock in Congress - both Houses are considering different bills as the national policy for forestry: sustainable forest management act by the Lower House and total logging ban act by the Upper House;
- The tight supply and increasing prices of locally-sourced and imported logs coupled with the uncontrolled entry of misdeclared wood products like plywood; and
- The issuance of constraining DENR rules and regulations that make industry operations more difficult.


## THE ASSOCIATION

At the forefront protecting the interests of the wood-based industry is your Association. Its attention has continued to focus on addressing key issues and problems facing the industry.

At the beginning of 1995, key officers of PWPA had assumed offices they had been voted into by the Directors of the Board. Directors A. C. Olizon and A. G. Bernas are the new Chairman of the Board and the new President of the Association, respectively. Director and Chairman of Advisory Council E. F. Sanvictores was elected Chairman of Asean Panel Products Federation (APPF) to serve the 1996-1998 term.

At this point, we, together with the Directors of the Board and other officers of PWPA, would like to extend our special thanks to our members who have been extra supportive of the programs of our Association. They have shown their concern not only for their own respective company but to the entire industry itself.

  
ANTONIO C. OLIZON  
Chairman

  
ANTONIO G. BERNAS  
President



# 1995 MAJOR INDUSTRY ISSUES

ISSUES	POSITION TAKEN BY PWPA	STATUS
<b>A. ARISING FROM DENR</b>		
1. DMO No. 95-03 dated January 27, 1995 (supplementary guidelines to DMO No. 94-26 dated December 27, 1994 re: moratorium on milling operations in Agusan Provinces) would allow a TLA/WPP-holder to operate only after every wood processing plants have been evaluated of their performance or inventoried of their log, lumber and other wood products stock.	PWPA submitted the position that wood processing plants of TLA-holders who are WPP holders should be exempted from the moratorium on milling operations; or, at the least, to allow them to resume immediate operations soon after their performance has been through being assessed. PWPA also recommended the phase-out of mini-sawmills as they have been the cause of logging anomalies in the said provinces.	In the implementation of the primary and supplementary orders, the DENR considered favorably the recommendations of PWPA; i.e. the case to case or company to company lifting of milling suspension and the exempting of long-established and operating mills of TLA/WPP-holders from relocating away from the Agusan River. The operations of mini-sawmills have been somewhat rationalized.
2. DMO No. 95-07 dated March 27, 1995 (in relation with DAO No. 93-68 amending of DAO No. 93-60) conditionally lifted the suspension on the cutting of natural forest stands inside IFMA areas.	DMO No. 95-07 was issued by the DENR in response to the recommendation of PWPA that cutting of natural forest stands inside IFMA areas is a valid exercise of operations allowed in the approved comprehensive plan and importantly in the IFMA, a contract neither one party may simply unilaterally modify without the consent of the other.	DMO No. 95-07 was enforced until October 25, 1995 when, through a memo to all REDs, the new Secretary of DENR - in suspending the acceptance and processing of IFMA applications earlier allowed under DMO No. 95-15 dated July 13, 1995 - likewise suspended implementation of DAO No. 93-60 and the operations of existing IFMAs.
3. DMO No. 95-10 dated May 26, 1995 (in relation with DAO No. 94-31 amending Sec. 17.8 of DAO No. 94-07) clarified and redefined the coverage of Greater Manila Area.	DMO 95-10 was issued by the DENR in response to the recommendation of PWPA to include the entire Province of Bulacan as a part of CLO-free zone re: lumber transport.	The transport of lumber without CLOs up to Zambales and Pampanga through Bulacan is now possible.
4. DAO No. 95-17 dated May 20, 1995, institutionalizing the operations of the Multi-sectoral Forest Protection Committees (MFPCs) within the DENR system and on account thereof, MFPCs assumed their role as watchdogs of TLA-holders' logging operations.	In several meetings of MFPCs, e.g. Aurora Province, Cagayan de Oro, Marawi, etc. PWPA has explained that TLA-holders, more than any stakeholders, are most concerned about forest protection for their own benefit and that cooperation rather than conflict should govern MFPCs and TLA-holders relations.	Through the MFPC fora, where it has been invariably invited into, PWPA was able to erase certain misconceptions about logging as it was able to recommend measures to make effective the functions of MFPCs. In some provinces or regions, the relationship between MFPCs and TLA-holders is good.



# 1995 MAJOR INDUSTRY ISSUES

ISSUES	POSITION TAKEN BY PWPA	STATUS
5. As the last three months of 1995 - the period for the preparation, submission, and approval of IAOPs - approached, TLA-holders were in a quandary as to the new requirements DENR may impose for the approval of 1996 IAOPs.	Toward the end of 1995, with the submission of aerial photos as seemingly the main requirements for the approval of IAOPs, PWPA apprised the DENR on the status of the aerial photo project under DAO No. 92-17 - which, in the main, was still incomplete.	The Guidelines for the processing and approval of 1996 IAOPs have yet to be promulgated by the DENR. And because of the delay in the completion of aerial photo project, approval of the 1996 IAOPs may not come on time.
<b>B. ARISING FROM THE OFFICE OF THE PRESIDENT</b>		
1. Executive Order No. 263 dated July 19, 1995, mandating that Community Based Forest Management (CBFM) shall be the national strategy for sustainable forest development and social justice.	It is the view of PWPA that in principle, CBFM is one way of protecting forests not anymore under the TLA-system. CBFM is also the policy thrust of H.B. No. 2966. Under CBFM, the community and private sector may work out a good partnership.	PWPA will comment on the possible role of the private sector in CBFM as soon as the draft rules and regulations implementing E.O. No. 203 were issued by DENR. Workshops on CBFM are being scheduled for 1996 by DENR.
2. Executive Order No. 264 dated July 22, 1995, modifying (reducing) tariffs of various imported products, including wood products, in accordance with the listed schedules of implementation.	With the tariff reduction to be fully implemented by January 01, 2003, PWPA, through its Plywood Council, requested membership in PCCI-Customs Consultative Group to protect the interest of the industry.	Executive Order No. 264 is currently being implemented following the listed schedules of tariff reduction, including that pertaining to imported logs and wood products.
<b>C. ARISING FROM 10TH CONGRESS</b>		
1. The Upper House (Senate) refiled the total logging ban bills: S.B. No. 272 by Sen. Mercado and S.B. No. 702 by Sen. Alvarez.	During the Senate hearing, the position of PWPA - that total logging ban is not the answer to the multi-faceted problems of forestry - has made the Chair of the Natural Resources Committee to remand the bill for re-study by its Secretariat.	In the light of the position of the Chair of the Committee on Natural Resources, it seems unclear how a reconciled bill would ever get out of the Committee with members having different positions on the issue.
2. The Lower House filed a new bill, H.B. No. 2966, the Sustainable Forest Management Act of 1995, principally authored by Lower House Committee on Natural Resources Chair, Cong. Fua, and Cong. Paras.	Close examination of the bill would reveal that it is very similar to the 9th Congress' H.B. No. 10042 (Forestry Reform Code). During the hearing, PWPA supported the main features of the bill, including allowing TLAs to remain valid up to their natural expiry dates.	As its consideration will involve changes in some laws and its implementation - when passed into law - will require funds, the bill was referred to the Committees on Appropriations and Ways and Means where it is currently pending.



## OUR MEMBERS

### REGULAR MEMBERS

#### **CAR**

**Furniture Group, Inc.**  
R-273 Wellington Bldg.,  
Plaza Ruiz, Binondo, Manila  
**Mr. Florio Buñag**

#### **REGION II**

**Cagayan Plywood Corp.**  
G/F W&W Building, 106 Aguirre St.,  
Legaspi Village, Makati City, M.M.  
**Mr. Vicente S. Chan**

**Jones Logging Corp.**  
20 Bulletin St.,  
West Triangle, Q.C.  
**Mr. Benito Dy/Alejo Dy**

**La Peña Sawmill Co., Inc.**  
560 Padilla de los Reyes Bldg.,  
232 Juan Luna St., Binondo, Manila  
**Mr. Francisco U. Peña**

**Liberty Logging Corp.**  
123 Kaingin Road,  
Balintawak, Q.C.  
**Mr. Wilson Lim**

**Luzon Mahogany Tbr. Ind., Inc.**  
44 Edison Tech., U.E. Subdivision,  
Malabon, Metro Manila  
**Atty. Bienvenido Rillo**

**Monte-Alto Tbr. Res. Corp.**  
R-407 Anita Bldg.,  
1300 Quezon Ave., Q.C.  
**Mr. Romeo de Jesus**

**Security Sawmill Co. Inc.**  
900 Reina Regente, Binondo, Mla.  
**Mr. Benjamin Dy**

**Sierra Madre Wood, Ind. Inc.**  
c/o Emco Plywood Corp., G/F W&W Bldg.,  
106 Aguirre St., Legaspi Vil., Makati City, M. M.  
**Mr. Vicente Chan**

**Southern Plywood Corp.**  
No. 220 Wilson St., Greenhills,  
San Juan, Metro Manila  
**Mr. Osmundo R. Quijano**

#### **GMWPA**

**A & A Wood Corp.**  
205 Maysan Rd.,  
Valenzuela, M. M.  
**Mr. Manuel Anbio**

**Alaska Lumber Co., Inc.**  
2071 Int. Raxa Bago St.,  
Juan Luna, Tondo, Manila  
**Mr. Felipe Lee**

**Atlanta Wood Dev. Corp.**  
12 T. Santiago St., Canumay,  
Valenzuela, Metro Manila  
**Mr. Tan Chin**

**Atlas Wood Industries, Inc.**  
387 Mc Arthur Highway, Malinta,  
Valenzuela, Metro Manila  
**Mr. Jim Lim**

**Canada Sawmill**  
Marulas, Valenzuela,  
Metro Manila  
**Mr. Juan S. Ong**

**Canumay Wood Corp.**  
T. Santiago St., Bo. Canumay,  
Valenzuela, Metro Manila  
**Mr. Jose L. Chua**

**Capitol Sawmill Corp.**  
Paseo de Blas, Valenzuela,  
Metro Manila  
**Mr. Rufino Chua**

**Catmon Sales Int'l. Corp.**  
c/o GMWPA, 2/F G & D Bldg.,  
18 D. Tuazon St. cor. Quezon Ave., Q.C.

**Century Hardwood & Lbr. Co., Inc.**  
2627 T. Earnshaw St.,  
Tondo, Manila  
**Mr. Tay Chun Lai**

**Elco Wood Processing Corp.**  
San Juan, Balagtas,  
Bulacan  
**Mr. Juan L. Santiago**

**Extensive Wood Processing Corp.**  
Km. 15 Mc Arthur Highway, Dalandanan,  
Valenzuela, Metro Manila  
**Mr. Johnny Chan**

**Goldenforest Trade Int'l., Corp.**  
173 Gen. Luis St.,  
Novaliches, Quezon City  
**Mr. Benjamin Uy**

**Golden Star Ind. Corp.**  
Bo. Patubig, Marilao,  
Bulacan  
**Mr. Edward Coquinco**

**Grand Pacific Ent., Inc.**  
17-1/2 Km. McArthur Highway,  
Meycauayan, Metro Manila  
**Mr. David C. Golangco**

**Great Wood Corp.**  
Vicente Reales St.,  
Valenzuela, Metro Manila  
**Mr. Guillermo Go/Mr. Pinsing Ng Chua**

**Great World Ind'l. Int'l. Corp.**  
Bo. Canumay,  
Valenzuela, M.M.  
**Mr. Benjamin Coquinco**

**New Bocaue Sawmill Co., Inc.**  
Km. 25 McArthur Highway,  
Valenzuela, Metro Manila  
**Mr. Michael Tan**



## OUR MEMBERS

**Oversea Sawmill**  
473 McArthur Highway,  
Valenzuela, Metro Manila  
**Mr. Felimon Chua**

**Panama Sawmill Co.**  
Lazaro St., Caruhatan,  
Valenzuela, Metro Manila  
**Ms. Virgie Go**

**Sahara Wood Corp.**  
2 T. Santiago St., Canumay,  
Valenzuela, Metro Manila  
**Mr. Tan Chin**

**Sta. Ana Industrial Corp.**  
2735 Old Panaderos St.,  
Sta. Ana, Manila  
**Mr. Benjamin Coquinco**

**Southern Sawmill**  
1331 Dagupan St.,  
Tondo, Manila  
**Mr. Tiong Ben de la Cruz**

**Tabang Sawmill, Inc.**  
Tabang, Guiguinto, Bulacan  
**Mr. Jose Ong, Jr.**

**Tanduay Lumber, Inc.**  
Bo. Wakas, Bocaue, Bulacan  
**Mr. Andrew Loo**

### Region III

**Baliwag Mahogany Corp.**  
Rm. 203 Anita Bldg.,  
1300 Quezon Ave., Q.C.  
**Mr. Alfredo Ong**

**Emerson Wood Ind., Inc.**  
Km. 24 McArthur Highway,  
Marilao, Bulacan  
**Mr. Peter S.L. Santos**

**Goodyear Timber Products Corp.**  
27-C Compound, Bagbagundo,  
Valenzuela, Metro Manila  
**Mr. Benny Coquinco**

**Industrial Timber Corp.**  
R-504 ITC Bldg., 337 Sen. Gil J. Puyat Ave.,  
Makati City, Metro Manila  
**Dr. Tomas T. Tangsoc, Jr.**

**Lauan Pacific Res. Corp.**  
123 Kaingin Road,  
Balintawak, Quezon City  
**Ms. Maria Carina Evangelista**

**Maple Resources Dev. Corp.**  
Pandayan, Meycauayan, Bulacan  
**Mr. Jimmy A. Ng**

**M R Board Inc.**  
G/F Metrobank Bldg., Ortigas Ave., cor. Wilson St.,  
Greenhills, San Juan, Metro Manila  
**Mr. Pedro C. Bernardo/Mr. Jimmy Ng**

**New Olympic Industrial Corp.**  
25 Km. McArthur Highway,  
Bunlo, Bocaue, Bulacan  
**Ms. Imelda Rogando**

**Rosewood Processing Inc.**  
1012 E. delos Santos Ave.,  
Project 7, Quezon City  
**Mr. Julian Ong**

**Scala Sawmill**  
R-560 Padilla delos Reyes Bldg.,  
232 Juan Luna St., Binondo, Manila  
**Mr. Francisco U. Peña**

### Region IV

**Industries Dev. Corp.**  
IDC Compound, E. Rodriguez Jr. Ave.,  
Ugong Norte, Quezon City  
**Mr. Joselito Ong**

**Inter-Pacific Forest Res. Corp.**  
R-203 Anita Bldg., 1300 Quezon Ave., Q.C.  
**Mr. Alfredo Ong**

**Interwood (Sawmill Div.)**  
Dalig, Cagsiay 2, Mauban, Quezon  
**Mr. Johnson Santos**

**Mt. Banahaw Wood Ind., Inc.**  
24 Dancalan St.,  
Damar Village, Q.C.  
**Mr. Rafael Tantuco**

**Pacific Timber Export Corp.**  
2/F LGI Bldg., Ortigas Ave.,  
Greenhills, San Juan, M.M.  
**Mr. Fernando A. Lu / Gen. Felizardo R. Tanabe**

**San Roque Sawmill, Inc.**  
Dingalan, Aurora

**Tableria Tan Tao Sawmill, Inc**  
c/o Seven Brother, 5/F APMC Bldg.  
135 Amorsolo St. Legaspi Village,  
Makati City, Metro Manila  
**Mr. Domingo Tan/Mrs. Sandra Yu Shaw**

**Verdant Agro-Forest Dev. Corp.**  
G/F Metrobank Bldg., Wilson St., cor. Ortigas Ave.,  
Greenhills, San Juan, Metro Manila  
**Mr. Godofredo B. Alla**

### N C R

**Far East Timberland & Plywood Corp.**  
917 Susano Ave., Novaliches, Q.C.  
**Mr. Rosendo Dy**

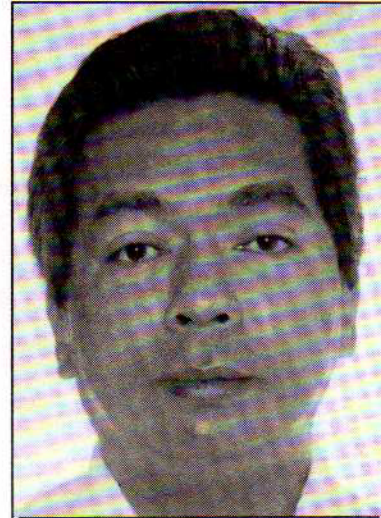
**International Plywood Corp.**  
518 Baesa Road, Caloocan City  
**Mr. Raymundo Ong**

**Republic Wooden Commodities Mnfg. Corp.**  
#917 Susano Ave., Novaliches, Q.C.  
**Mr. Rosendo Dy**



## BOARD OF DIRECTORS

**ANTONIO C. OLIZON, Chairman**  
Timber Industries of the Philippines, Inc.



**OLIZON**

<b>CELSO E. ABASTILLAS</b> Zamboanga Plywood, Inc.	<b>SEVERINO T. DE GUZMAN</b> Industries Dev. Corp.	<b>JIMMY A. NG</b> Maple Resources Dev. Corp.
<b>EDITH I. ALCANTARA</b> C. Alcantara & Sons, Inc.	<b>ALFONSO C. KEH, JR.</b> Extensive Wood Processing Corp.	<b>ARISTEO G. PUYAT</b> Surigao Dev. Corp.
<b>PEDRITO M. ARAGON</b> PICOP Resources, Inc.	<b>JOSE A. LORENZO</b> Twin Peaks Dev. Corp.	<b>ERNESTO F. SANVICTORES</b> Aras-asan Timber Co., Inc.
<b>ANTONIO G. BERNAS</b> Sirawai Plywood & Lumber Corp.	<b>FERNANDO A. LU</b> Pacific Timber Export Corp.	<b>FELIX T. TAMESIS</b> Nasipit Lumber Co., Inc.
<b>DAVID C. GOLANGCO</b> Grand Pacific Ent., Inc.	<b>RUFINO T. NASSER</b> Vicmar Dev. Corp.	<b>LEONARDO D. ANGELES</b> Secretary of the Board



## ADVISORY COUNCIL

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Chairman

(SEN.) **MAGNOLIA W. ANTONINO**  
**EDUARDO C. ARROYO, JR.**  
**JOSE T. CHING**

**JOSE DY**  
**MANUEL L. MORATO**  
**PETER T. ROXAS**



## EXECUTIVE OFFICERS



**BERNAS**

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President

**FERNANDO A. LU**  
Executive Vice-President

**FELIX T. TAMESIS**  
VP-Timber

**DAVID C. GOLANGCO**  
VP-Lumber &  
Related Products

**PEDRITO M. ARAGON**  
VP-Plywood &  
Related Products

**CELSO E. ABASTILLAS**  
VP-Information, Education &  
Communications

**JOSE A. LORENZO**  
VP-Forestry & Environment

**VALENTIN A. VELASCO**  
VP-Industrial  
Forest Plantation

**SEVERINO T. DE GUZMAN**  
VP-Legal & Government  
Relations

**JOSELITO C. BALTAZAR I**  
VP-Membership Relations

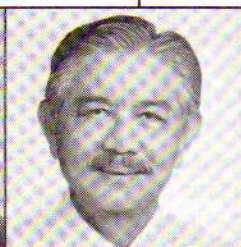
**JIMMY A. NG**  
VP-International Relations

**ALFONSO C. KEH, JR.**  
Treasurer

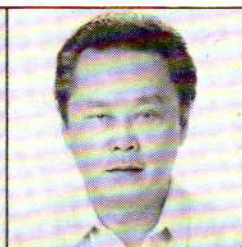
**LEONARDO D. ANGELES**  
Executive Director



**LU**



**TAMESIS**



**GOLANGCO**



**ARAGON**



**ABASTILLAS**



**LORENZO**



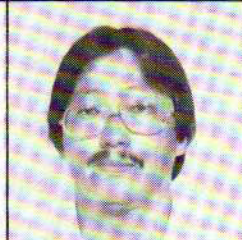
**VELASCO**



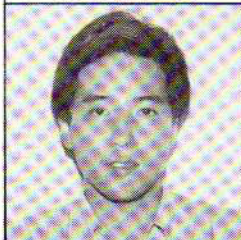
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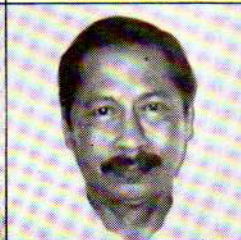
**BALTAZAR I**



**NG**



**KEH, JR.**



**ANGELES**



**DUCA Y**



**SERAFICO**



**LACTAO**

## SECRETARIAT

**CELIA P. DUCAY**  
Administrative Officer

**REGINO M. SERAFICO**  
Account Officer

**DANTE T. LACTAO**  
IEC Coordinator



## OUR MEMBERS

### Region IX

**First Plywood Corp.**

4/F Asia Industries Bldg., 2281 Pasong Tamo St.,  
Makati City, Metro Manila  
**Atty. Antonio G. Bernas**

**Mindanao Estates Timber Corp.**

2227 Jose Abad Santos Ave.,  
Tondo, Manila  
**Mr. Jose Dy**

**Sirawai Plywood & Lumber Corp.**

4/F Asia Industries Bldg., 2281 Pasong Tamo St.,  
Makati City, Metro Manila  
**Atty. Antonio G. Bernas**

**Westmin Forest Products, Inc.**

Mintrade Drive, Lanang, Davao City  
**Mr. Guilbert Go**

**Zamboanga Plywood, Inc.**

Rm. 273 Wellington Bldg.,  
Plaza Ruiz, Binondo, Manila  
**Mr. Celso E. Abastillas**

### Region X

**Agusan Plywood Corp.**

220 Wilson St., Greenhills,  
San Juan, Metro Manila  
**Mr. Alfredo C. Roxas**

**Agusan Wood Ind., Inc.**

R-504 ITC Bldg., Sen. Gil J. Puyat Ave.,  
Makati City, Metro Manila  
**Dr. Tomas Tangsoc, Jr.**

**Anakan Lumber Co.**

5/F Maritima Building, 117 Dasmariñas St.,  
Binondo, Manila  
**Atty. Felix T. Tamesis**

**Casilayan Softwood Dev. Corp.**

028 Jose Rosales Ave, Capitol Center  
Butuan City 8600 or  
P.O. Box 197, Butuan City 8600  
**Mr. Valentin A. Velasco**

**Emco Plywood Corp.**

G/F W & W Bldg., 106 Aguirre St.,  
Legaspi Village, Makati City, M.M.  
**Mr. Louis S. Coson**

**JCA Lumber & Plywood Ind., Inc.**

Unit 15, 3/F Legaspi Tower 200,  
Roxas Blvd. cor. Vito Cruz St., Manila  
**Mr. Hernani S. Pasion/ Mr. Joseph LI. Edralin**

**Liberty Forest, Inc.**

91 Sen. Gil J. Puyat Ave.,  
Makati City, Metro Manila  
**Mr. Jose T. Ching**

**Mainit Lbr. & Dev. Co., Inc.**

91 Sen. Gil J. Puyat Ave.,  
Makati City, Metro Manila  
**Mr. Jose T. Ching**

**Master Wood Ent. Corp.**

Phividec Ind'l. Estate, Baluarte,  
Tagoloan, Misamis Oriental  
**Mr. Willie Tan**

**Nasipit Lumber Co., Inc.**

5/F Maritima Bldg. 117 Dasmariñas St.,  
Binondo, Manila  
**Atty. Felix T. Tamesis**

**Phil. Wallboard Corp.**

5/F Maritima Bldg., 117 Dasmariñas St.,  
Binondo, Manila  
**Atty. Felix T. Tamesis**

**Provident Tree Farms, Inc.**

PHIMCO Compound, A. Bautista St.,  
Punta, Sta. Ana, Manila  
**Mr. Lutgardo F. Lopez**

**Royal Match Co., Inc.**

211 Pasong Tamo cor. Tindalo St.,  
Makati City, Metro Manila  
**Mr. Antonio M. Cruz**

**Sta. Ines-Melale Corporation**

3/F Maripola Bldg., 109 Perea St.,  
Legaspi Village, Makati City, M.M.  
**Ms. Rosie Macero**

**Top Forest Developers, Inc.**

G/F Cordova Bldg., Valero St.,  
Salcedo Village, Makati City, M.M.  
**Mr. Robert N. Kua**

**Union Plywood Corp.**

R-502 State Cond. I, Salcedo St.,  
Legaspi Village, Makati City, Metro Manila  
**Mr. Antonio C. Olizon**

**United Wood Industries Corp.**

111 A. 6th Street cor. 6th Ave.,  
Grace Park, Caloocan City  
**Mr. Stanley Tan/Stephen Tan**

**Woodland Domain, Inc.**

Unit R Times Plaza Bldg.  
Pamplona, Las Piñas, Metro Manila

### Region XI

**Aras-Asan Timber Co., Inc.**

30 Scout Tuazon St.,  
Diliman, Quezon City  
**Mr. Ernesto F. Sanvictores**

**C. Alcantara & Sons, Inc.**

3/F ALSON Bldg., 2286 Pasong Tamo Ext.,  
Makati City, Metro Manila  
**Ms. Edith I. Alcantara**

**Consolidated Plywood Ind., Inc.**

R-202 Cityland III, Herrera cor. Esteban St.,  
Legaspi Village, Makati City, Metro Manila  
**Mr. Henry C. Wee**

**Davao Enterprises Corp.**

788-790 Juan Luna St., Binondo, Manila  
**Ms. Evelyn Uy**



## OUR MEMBERS

### **Davao Plywood Co., Inc.**

Km. 24 Bunawan, Davao City

**Mr. Gokim Leng**

### **Mindanao Lumber Dev. Co., Inc.**

15/F G.E. Antonino Bldg.,

T.M. Kalaw St., Manila

**Ms. Magnolia W. Antonino**

### **PICOP Resources, Inc.**

16/F Centerpoint Bldg., Julia Vargas Ave.,

cor. Garnet, Ortigas Comp., Pasig, M.M.

**Mr. Pedrito M. Aragon**

### **San Manuel Wood Products, Inc.**

Daliao, Toril, Davao City

**Mr. Manuel G. Ting/ Mr. Faustino B. Lim Suan, Jr.**

### **Super Plywood Corp.**

#608 Echelon Tower, 2001 A. Mabini St.,

Malate, San Andres, Manila

**Mr. Conrad Lo**

### **Surigao Dev. Corp.**

4/F ENZO Bldg., 399 Sen. Gil J. Puyat,

Makati City, Metro Manila

**Mr. Aristeo G. Puyat**

### **Ventura Timber Corp.**

VTC Compound R. Castillo St.,

Beside Salonga Motors,

Lanang, Davao City

**Mr. Jainal B. Uy**

### **Region XII**

#### **Ever Sun Dev. Ltd.**

Sarmiento Bldg. #11, Pasong Tamo Ext.,

Makati City, Metro Manila

**Mr. Kevin Cheng**

#### **Findlay Millar Tbr. Co.**

Unit C, G/F, Cordova Bldg.,

cor. Sedeno & Agustin Sts.,

Salcedo Village, Makati City, M.M.

**Ms. Maria Teresita N. Kua**

### **ARMM**

#### **Cotabato Timberland Co., Inc.**

4/F Asia Industries Bldg. 2281 Pasong Tamo St.,

Makati City, Metro Manila

**Mr. Antonio G. Bernas**

#### **Timber Industries of the Phils., Inc.**

R-502, State Cond. I, Salcedo St.,

Legaspi Village, Makati City, Metro Manila

**Mr. Antonio C. Olizon**

#### **Vicmar Dev. Corp.**

Unit C, G/F Cordova Bldg., Valero, cor. Sedeno St.,

Salcedo Village, Makati City, Metro Manila

**Ms. Maria Teresita N. Kua**

### **ASSOCIATE MEMBERS**

#### **A G & P Co., Inc.**

2/F Doña Natividad Bldg.,

Pasong Tamo Ext.,

Makati City, Metro Manila

**Mr. Fernando Garcia**

#### **Borden Int'l. Phils., Inc.**

Suite 1001, Ayala Life Bldg.,

Ayala Avenue, Makati City, Metro Manila

**Mr. Rolando del Rosario Sison**

#### **Resins, Inc.,**

E. Rodriguez, Jr. Avenue, Bagon Ilog,

Pasig, Metro Manila

**Mr. Meneleo Carlos, Jr.**



# SGV & Co

## REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Board of Directors  
Philippine Wood Producers Association, Inc.

We have audited the accompanying balance sheets of Philippine Wood Producers Association, Inc. (formerly Philippine Wood Products Association, Inc.) (a nonstock, nonprofit corporation) as of December 31, 1995 and 1994, and the related statements of revenues and expenses and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Philippine Wood Producers Association, Inc. as of December 31, 1995 and 1994, and its revenues and expenses and its cash flows for the years then ended in conformity with generally accepted accounting principles.

*Ernie G. Gonzalez, CPA*

Makati City  
April 10, 1996



**PHILIPPINE WOOD PRODUCERS ASSOCIATION, INC.****(Formerly Philippine Wood Products Association, Inc.)****(A Nonstock, Nonprofit Corporation)****BALANCE SHEETS**

	December 31	
	1995	1994
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	<b>₱461,588</b>	₱2,152,485
Receivables - net (Note 3)	<b>902,857</b>	424,863
Total Current Assets	<b>1,364,445</b>	2,577,348
<b>Property and Equipment - net (Note 4)</b>	<b>156,033</b>	270,612
<b>Other Assets</b>	<b>9,700</b>	9,700
	<b>₱1,530,178</b>	₱2,857,660
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts Payable and Accrued Expenses	<b>₱372,741</b>	₱612,311
Dues Collected in Advance	<b>135,000</b>	—
Total Current Liabilities	<b>507,741</b>	612,311
<b>Members' Equity</b>		
Balance at beginning of year	<b>2,245,349</b>	2,522,565
Excess of expenses over revenues	<b>(1,222,912)</b>	(277,216)
Balance at end of year	<b>1,022,437</b>	2,245,349
	<b>₱1,530,178</b>	₱2,857,660

*See accompanying Notes to Financial Statements.*



**PHILIPPINE WOOD PRODUCERS ASSOCIATION, INC.****(Formerly Philippine Wood Products Association, Inc.)****(A Nonstock, Nonprofit Corporation)****STATEMENTS OF REVENUES AND EXPENSES**

	<b>Years Ended December 31</b>	
	<b>1995</b>	<b>1994</b>
<b>REVENUES</b>		
Membership dues	<b>₱2,025,500</b>	₱2,225,185
Special assessment	<b>1,360,233</b>	159,816
Interest and others	<b>973,496</b>	1,231,416
	<b>4,359,229</b>	3,616,417
<b>EXPENSES</b>		
Salaries, wages and employees' benefits	<b>862,194</b>	812,873
Donations and gifts	<b>846,485</b>	96,972
Meetings and conferences	<b>641,039</b>	315,264
Special projects	<b>636,148</b>	184,707
Public relations and information	<b>569,356</b>	464,532
Transportation and travel	<b>522,655</b>	527,267
Office expenses	<b>339,430</b>	396,618
Regional chapter expenses (Note 5)	<b>317,968</b>	186,562
Professional fees	<b>253,250</b>	252,025
Condominium expenses, light and water	<b>250,345</b>	294,255
Depreciation	<b>114,579</b>	84,821
Telephone, telegram and postage	<b>99,092</b>	103,015
Membership dues	<b>61,500</b>	82,250
Insurance	<b>32,180</b>	16,761
Taxes and licenses	<b>24,894</b>	22,270
Loss on disposal of property and equipment	<b>—</b>	14,000
Miscellaneous	<b>11,026</b>	39,441
	<b>5,582,141</b>	3,893,633
<b>EXCESS OF EXPENSES OVER</b>		
<b>REVENUES (Note 1)</b>	<b>₱1,222,912</b>	₱277,216

*See accompanying Notes to Financial Statements.*



**PHILIPPINE WOOD PRODUCERS ASSOCIATION, INC.****(Formerly Philippine Wood Products Association, Inc.)****(A Nonstock, Nonprofit Corporation)****STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31</b>	
	<b>1995</b>	<b>1994</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of expenses over revenues	<b>(₱1,222,912)</b>	<b>(₱277,216)</b>
Adjustments to reconcile excess of expenses over revenues to net cash provided by (used in) operating activities:		
Depreciation	<b>114,579</b>	<b>84,821</b>
Loss on disposal of property and equipment	<b>—</b>	<b>14,000</b>
Changes in operating assets and liabilities:		
Decrease (increase) in receivables	<b>(477,994)</b>	<b>207,193</b>
Increase (decrease) in:		
Accounts payable and accrued expenses	<b>(239,570)</b>	<b>87,842</b>
Dues collected in advance	<b>135,000</b>	<b>(5,641)</b>
Net cash provided by (used in) operating activities	<b>(1,690,897)</b>	<b>110,999</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	<b>—</b>	<b>(79,367)</b>
Proceeds from disposal of property and equipment	<b>—</b>	<b>10,000</b>
Net cash used in investing activities	<b>—</b>	<b>(69,367)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(1,690,897)</b>	<b>41,632</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>2,152,485</b>	<b>2,110,853</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>₱461,588</b>	<b>₱2,152,485</b>

*See accompanying Notes to Financial Statements.*



## PHILIPPINE WOOD PRODUCERS ASSOCIATION, INC.

(Formerly Philippine Wood Products Association, Inc.)

(A Nonstock, Nonprofit Corporation)

### NOTES TO FINANCIAL STATEMENTS

#### 1. Organization

The Philippine Wood Producers Association, Inc. (Association) is an association of corporations, partnerships and individuals engaged in logging, sawmilling, veneer and plywood manufacture, wood preservation, and other related activities. Incorporated as a nonstock, nonprofit corporation, the Association aims to achieve unity in the wood industry under a single integrated association that would serve as spokesman for the entire wood industry in its continuing dialogue with government authorities. Its services, programs and activities are all geared towards the promotion and development of the lumber and plywood industry.

The Association is exempt from payment of income tax with respect to revenues received in accordance with the provisions of Sec. 26 (f) of the National Internal Revenue Code.

#### 2. Summary of Significant Accounting Policies

##### Cash Equivalents

The Association considers all highly liquid investments purchased with maturities of three months or less from date of acquisition to be cash equivalents.

##### Membership and Assessment Dues

Membership dues of Timber License Agreement (TLA) holders, sawmillers and associate members are based on fixed monthly rates. Assessment dues of TLA holders are computed based on the annual allowable cuts.

##### Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Ordinary repairs and expenditures which do not benefit future periods are expensed as incurred.

#### 3. Receivables

This account consists of:

	1995	1994
Members	P941,275	P422,275
Others	57,857	98,863
	999,132	521,138
Less allowance for doubtful accounts	96,275	96,275
	P902,857	P424,863

#### 4. Property and Equipment

This account consists of the following:

	1995	1994
Condominium office building	P1,010,396	P1,010,396
Office furniture, fixtures and improvements	129,043	129,043
Office equipment	236,099	236,099
	1,375,538	1,375,538
Less accumulated depreciation	1,219,505	1,104,926
	P156,033	P270,612

#### 5. Association's Regional Chapters

The Association maintains a number of regional chapters within the Philippines. These chapters (organized during the latter part of 1979 and during 1980) act as extensions of the Association in their respective regions. Dues collected by these chapters are turned over to the Association. Ten percent of such collections are remitted back to the chapters to cover their administrative expenses. For purposes of accounting, such amounts are treated as expenses upon receipt of the chapters' collections.

#### 6. Change in Corporate Name

On February 11, 1994, the Securities and Exchange Commission approved the change in the Association's name from Philippine Wood Products Association, Inc. to Philippine Wood Producers Association, Inc.





**"The forests must be, and will be, not only preserved, but used; and the experience of all civilized countries that have faced and solved the questions show that ... the forests, like perennial fountains, may be made to yield a sure harvest of timber, while at the same time all their far-reaching beneficent uses may be maintained unimpaired."**

**JOHN MUIR  
1895**





## **TREES**

**I think that I shall never see  
A poem lovely as a tree.  
A tree whose hungry mouth is prest  
Against the earth's sweet flowing breast.**

**A tree that looks at God all day  
And lifts her leafy arms to pray,  
A tree that in May summer wear  
A nest of robins in her hair.**

**Upon whose bosom snow has lain,  
Who intimately lives with rain;  
Poems are made by fools like me,  
But only God can make a tree.**

**- Joyce Kilmer**