

Ladysmith Forest Industry Park

Economic Action Saves Jobs and Revitalizes a Community

The Challenge

The Pope and Talbot paper mill in Ladysmith, Wisconsin, was on the brink of closure. The mill was the second largest employer in town, with 190 people on the payroll. The mill's closure would devastate this small community's economy.

The Solution

Forests are the economic foundation for thousands of communities across the nation. The Northeastern Area's Economic Action Program helps communities develop projects that promote and sustain the use of forest resources. Along the way, our programs provide tangible results—expanded businesses, new jobs, more efficient use of wood products, and increased tourism and travel opportunities.

Learning of the problem in the Ladysmith mill, Northeastern Area personnel convened a meeting of key cooperators to discuss options available to the community. This meeting led to a Rural Development Through Forestry grant of \$30,000 that leveraged an additional \$40,000 of local funds, to develop a business plan and change the mill from a tissue plant to a high quality specialty plant.

Resulting Benefits

- The mill closed before the plan could be completed; however, the consultant refocused the plan and prepared a prospectus to sell the plant. A buyer was found, the mill was reopened as CityForest Corporation, and 74 jobs were saved.



The reopening of the CityForest Mill in Ladysmith, Wisconsin, saved 74 jobs.

- Two years later the CityForest Corporation, became the cornerstone for a \$750,000 Economic Development Administration project that established a Forest Industry Park in Ladysmith. Since 1997 Industry Park has created an additional 300 jobs.
- In 1998, the Northeastern Area awarded Ladysmith a second Rural Development Through Forestry grant to recruit firms to the industrial park, as well as to provide technical assistance to industries in the Park regarding residue utilization and product marketing.

Sharing Success

- The National Association of Development Organizations awarded Ladysmith the National Innovation Award for this project and featured the story in the April 1998 issue of Economic Development Digest.
- The consultant published a Case Study of the Ladysmith Forest Industry Park to document the process and assist communities in similar situations.

One \$30,000 grant started a process that resulted in the retention of 74 jobs, the creation of 300 jobs, and the value-added benefits of an expanding economic enterprise.



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